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Calendar No. 854

101st Congress *2d Session*	SENATE	Report 101-474

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATION BILL, 1991

September 26 (legislative day, September 10), 1990.—Ordered to be printed

Ms. Mikulski, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 5158]

The Committee on Appropriations to which was referred the bill (H.R. 5158) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1991, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

AMOUNT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

Amount of bill as recommended in House	$80,660,024,400
Amount of change by Committee	−2,069,485,000
Amount of bill as reported to Senate	78,588,479,400
Amount of appropriations to date, 1990	66,148,162,000
Amount of budget estimates, 1991	75,861,485,000
Over estimate for 1991	+2,726,994,400
Over appropriations for 1990	+12,440,317,400

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SUMMARY OF THE BILL

The Committee recommends new budget authority of $78,588,479,400 for the Departments of Veterans Affairs and Housing and Urban Development, the National Aeronautics and Space Administration, the Environmental Protection Agency, the National Science Foundation, and other agencies, commissions, boards, corporations, and offices. This amount is $2,726,994,400 above the budget request, $2,071,545,000 below the House allowance, and $12,440,317,400 more than the appropriation for fiscal year 1990.

The following table summarizes the amounts recommended in the bill in comparison with appropriations for fiscal year 1990 and budget estimates for fiscal year 1991:

SUMMARY OF ESTIMATES AND NEW BUDGET (OBLIGATIONAL) AUTHORITY IN BILL

Department or agency	Appropriations, 1990	Budget estimates, 1991	House bill	Committee recommendation	Senate bill compared with— Appropriations, 1990	Senate bill compared with— Budget estimates, 1991	Senate bill compared with— House bill
American Battle Monuments Commission	$16,032,000	$15,402,000	$15,900,000	$15,402,000	−$630,000		−$498,000
Cemeterial Expenses, Army	12,374,000	12,236,000	12,236,000	12,236,000	−138,000		
Commission on National and Community Service				100,000,000	+100,000,000	+$100,000,000	+100,000,000
Consumer Information Center	1,339,000	1,540,000	1,540,000	1,540,000	+201,000		
Consumer Product Safety Commission	35,147,000	35,609,000	37,109,000	36,709,000	+1,562,000	+1,100,000	−400,000
Council on Environmental Quality	1,465,000	2,780,000	2,780,000	1,465,000		−1,315,000	−1,315,000
Court of Veterans Appeals	3,893,000	9,560,000	9,560,000	4,127,000	+234,000	−5,433,000	−5,433,000
Department of Housing and Urban Development	14,894,065,000	21,354,060,000	25,931,713,400	24,867,988,400	+9,973,923,400	+3,513,928,400	−1,063,725,000
Department of Veterans Affairs	29,713,068,000	30,459,036,000	31,282,092,000	31,091,496,000	+1,378,428,000	+632,460,000	−190,596,000
Environmental Protection Agency	5,486,563,000	5,580,709,000	6,012,625,000	6,017,937,000	+531,374,000	+437,228,000	+5,312,000
Federal Deposit Insurance Corporation ¹	4,962,000,000	2,915,744,000	2,915,744,000	4,398,000,000	−564,000,000	+1,482,256,000	+1,482,256,000
Federal Emergency Management Agency	1,790,320,000	819,272,000	656,787,000	546,793,000	−1,243,527,000	−272,479,000	−109,994,000
Interagency Council on the Homeless	1,083,000	1,214,000	1,214,000	1,083,000		−131,000	−131,000
National Aeronautics and Space Administration	12,221,574,000	15,125,200,000	14,290,325,000	13,451,200,000	+1,229,626,000	−1,674,000,000	−839,125,000
National Credit Union Administration ²	590,700,000	600,000,000	600,000,000	600,000,000	+9,300,000		
National Institute of Building Sciences	492,000		250,000		−492,000		−250,000
National Science Foundation	2,080,608,000	2,383,000,000	2,337,000,000	2,364,192,000	+283,584,000	−18,808,000	+27,192,000
National Space Council	983,000	1,363,000	1,000,000	1,363,000	+380,000		+363,000
Neighborhood Reinvestment Corporation	26,554,000	24,500,000	24,500,000	25,554,000	−1,000,000	+1,054,000	+1,054,000
Office of Consumer Affairs	1,834,000	1,889,000	1,889,000	1,964,000	+130,000	+75,000	+75,000
Office of Science and Technology Policy	2,829,000	3,300,000	3,300,000	3,560,000	+731,000	+260,000	+260,000
Points of Light Initiative Foundation				5,000,000	+5,000,000	+5,000,000	+5,000,000
Resolution Trust Corporation ³		10,785,000	10,785,000	10,785,000	+10,785,000		
Selective Service System	25,905,000	26,635,000	26,635,000	26,635,000	+730,000		
Total ⁴	66,148,162,000	75,861,485,000	80,660,024,400	78,588,479,400	+12,440,317,400	+2,726,994,400	−2,071,545,000

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[1] Appropriation for FSLIC resolution fund.
[2] Limitation on direct loans.
[3] Appropriation for Office of Inspector General.
[4] Columns do not add due to transfers from other accounts.

HIGHLIGHTS

There are a number of major adjustments in the Senate Appropriations Committee's version of H.R. 5158, the fiscal year 1991 appropriations bill for the Departments of Veterans Affairs and Housing and Urban Development, and miscellaneous independent agencies. The principal reason for these changes is the lower overall level of funds provided for domestic discretionary programs to the Senate Appropriations Committee than that provided to the House Appropriations Committee.

As the result of this lower overall Committee level, the 302(b) budget allocation for the VA, HUD and Independent Agencies appropriations bill is $2,080,000,000 below the House bill in budget authority, and $630,000,000 below the House bill in budget outlays. In addition, the Senate 302(b) allocation for the VA-HUD bill is $1,329,577,000 in budget outlays below the administration's total budget request for the Subcommittee.

The major changes from the House-passed bill are as follows:

First, a reduction of $190,596,000 in discretionary spending programs for the Department of Veterans Affairs. This includes a reduction of $83,424,000 in veterans medical care, $37,099,000 in general operating expenses, and $52,997,000 for major construction projects.

Second, a reduction of $1,063,725,000 in discretionary programs for the Department of Housing and Urban Development. A substantial portion of this reduction has been done through a restructuring of the Elderly and Handicapped Housing Program to make it consistent with legislation recently passed by the Senate. Within the Committee's recommendation is a level of $3,200,000,000 for the Community Development Block Grant Program, an increase of $200,000,000 above the House level and $444,000,000 above the administration's request.

Third, an increase of $5,312,000 for programs and expenses of the Environmental Protection Agency. The Committee has recommended an increase of $6,028,000 appropriated for the Superfund Program. Within the Committee's recommendations for EPA is an appropriation of $2,100,000,000 for the Construction Grants Program. Despite the Committee's constraints, overall EPA funding would increase by $531,374,000 over the fiscal year 1990 level, and $437,228,000 over the administration's request.

Fourth, the Committee recommends no new appropriation for Federal disaster relief due to an expectation that there will be sufficient funds to commit toward disaster relief as a result of the carryover of funds appropriated in fiscal year 1990, and an estimated $50,000,000 in recaptures.

Fifth, a reduction of $839,125,000 in funds for the National Aeronautics and Space Administration. The Committee recommendation is designed to maintain NASA's core programs and people, while restraining the growth of proposed new starts and large space flight projects. This reduction will result in substantially less funds available for the Space Station Program, space science activities, and basic space technology programs. In addition, the Committee recommendation includes no funds for the Moon-Mars initiative because of the very severe limits imposed upon the overall NASA budget.

Sixth, the Committee has included a modest increase of $27,192,000 above the House for the National Science Foundation. These additional funds will go to augment the Foundation's math and science education programs, and modestly expand basic research activities.

Seventh, the Committee has included $105,000,000 for programs designed to promote local volunteerism and community service. Within this amount are funds for the President's Points of Light Initiative Foundation and programs funded by the Commission on National Service.

Eighth, and finally, the Committee has recommended a fixed appropriation of $4,398,000,000 for the Federal Savings and Loan Insurance Corporation Resolution Fund, rather than the current, indefinite appropriation (such sums as may be necessary for fiscal year 1991) proposed by the House and requested by the administration. The Committee's estimate is based upon the latest available data from the Federal Deposit Insurance Corporation, whose job is to oversee and manage the FSLIC resolution fund.

REPROGRAMMING AND INITIATION OF NEW PROGRAMS

The Committee continues to have a particular interest in being informed of reprogrammings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committee in an agency's budget justifications.

Consequently, the Committee directs that the Departments of Veterans Affairs and Housing and Urban Development and the agencies funded through this bill notify the chairman of the Committee prior to each reprogramming of funds in excess of $250,000 between programs, activities, or elements. The Committee desires to be notified of reprogramming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be notified regarding reorganizations of offices, programs, or activities prior to the planned implementation of such reorganizations.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

Appropriations, 1990	$29,713,068,000
Budget estimate, 1991	30,459,036,000
House allowance	31,282,092,000
Committee recommendation	31,091,496,000

GENERAL DESCRIPTION

The Veterans Administration was established as an independent agency by Executive Order 5398 of July 21, 1930, in accordance with the Act of July 3, 1930 (46 Stat. 1016). This act authorized the President to consolidate and coordinate Federal agencies especially created for or concerned with the administration of laws providing benefits to veterans, including the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers. On March 15, 1989, VA was elevated to Cabinet-level status as the Department of Veterans Affairs.

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to the Nation. The VA's operating units include the Veterans Health Service and Research Administration, Veterans Benefits Administration, National Cemetery System, and staff offices.

The Veterans Health Service and Research Administration develops, maintains, and operates a national health care delivery system for eligible veterans; carries out a program of education and training of health care personnel; carries out a program of medical research and development; and furnishes health services to members of the Armed Forces during periods of war or national emergency. A system of 172 medical centers, 352 outpatient clinics, 126 nursing homes, and 33 domiciliaries is maintained to meet the VA's medical mission.

The Veterans Benefits Administration provides an integrated program of nonmedical veteran benefits matters. This administration administers a broad range of benefits to veterans and other eligible beneficiaries through 59 regional offices and the records processing center in St. Louis, MO. The benefits provided include: compensation for service-connected disabilities; pension for aged, needy, and totally disabled veterans; vocational rehabilitation assistance; educational and training assistance; home buying assistance; estate protection services for veterans under legal disability; information and assistance through personalized contacts; and six life insurance programs.

The National Cemetery System provides, upon request, for the interment in any national cemetery with available grave space the remains of eligible deceased servicepersons, and discharged veterans permanently maintain these graves; marks graves of eligible persons in national and private cemeteries, upon proper application; and administers the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries. The National Cemetery System includes 145 cemeterial installations and activities.

Other VA offices, including the general counsel, inspector general, Boards of Construction Appeals and Veterans Appeals, and General Administration, support the Secretary, Deputy Secretary, Chief Medical Director, Chief Benefits Director, and the Director of the National Cemetery System.

On September 30, 1989, there were approximately 27 million veterans, 44 million family members of living veterans, and 1.7 million survivors of deceased veterans. Thus, more than 72 million individuals, or 29 percent of the total population of the United States, were potential recipients of veterans benefits provided by the Federal Government.

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

Appropriations, 1990	$15,555,495,000
Budget estimate, 1991	15,204,451,000
House allowance	15,684,551,000
Committee recommendation	15,684,551,000

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance may also be provided for service-connected veterans who use a prosthetic or orthopedic device.

The Veterans' Benefits Amendments of 1989 (Public Law 101-237) increased both disability compensation for service-disabled veterans and dependency and indemnity compensation to surviving spouses and children by 4.7 percent, effective December 1, 1990, at a cost of $291,600,000 in 1990.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to nonservice connected disabilities which render them permanently and totally disabled. Veterans 65 years of age or older are considered permanently and totally disabled by law and are thus exempt from a medical evaluation. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

The Veterans and Survivors' Pension Improvement Act of 1978 (Public Law 95-588) reformed the Pension Program and provided for automatic annual cost-of-living increases comparable to annual Social Security increases for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. The increase for fiscal year 1990 was 4.7 percent.

COMMITTEE RECOMMENDATION

The Committee has provided $15,684,551,000 for compensation and pensions, the same as the House allowance and an increase of $480,100,000 over the budget request. This reflects the fact that the Department revised its estimates since the President's budget was submitted in January.

The appropriation provides funds for service-connected compensation payments to an estimated 2,174,500 veterans and 318,000 survivors, pension payments to 552,400 nonservice-connected veterans and 499,400 survivors, and burial benefits for 130,500 veterans.

The administration has again proposed dividing the compensation and pensions appropriation into three separate accounts: compensation, pensions, and burial benefits and miscellaneous assistance. The Committee has disapproved this proposal and recommends $15,684,551,000 in a single appropriation. This includes $11,507,725,000 for compensation payments; $3,991,229,000 for pension payments; and $185,597,000 for burial benefits, vocational training, and miscellaneous assistance as follows:

	1990	1991	Difference
Caseload:			
Compensation:			
Veterans	2,188,000	2,174,500	−13,500
Survivors	320,500	318,000	−2,500
(Clothing allowance)	(62,900)	(62,500)	(−400)
Pensions:			
Veterans	570,103	552,400	−17,703
Survivors	534,148	499,400	−34,748
Vocational training	(300)	(300)	
Burial benefits	130,500	130,500	
Funds:			
Compensation:			
Veterans	$9,289,900,000	$9,143,319,000	−$146,581,000
Survivors	2,345,834,000	2,364,406,000	+18,572,000
Pensions:			
Veterans	2,603,498,000	2,669,093,000	+65,595,000
Survivors	1,314,196,000	1,322,136,000	+7,940,000
Vocational training	406,000	422,000	+16,000
Burial benefits	151,880,000	158,403,000	+6,523,000
Other assistance	26,961,000	26,772,000	−189,000
Unobligated balance and other adjustments [1]	−177,180,000		+177,180,000
Total, appropriation	[2] 15,555,495,000	15,684,551,000	+129,056,000

[1] Reduction of $2,011,000 from unobligated balance pursuant to Public Law 99-177.

[2] Included in this total is $190,000,000 in supplemental appropriations.

The administration has also proposed a change in the form of the language for the compensation and pensions portions of the account from an appropriation of budget authority to liquidation of contract authority. The Committee has disapproved this proposal.

READJUSTMENT BENEFITS

Appropriations, 1990	$497,813,000
Budget estimate, 1991	502,500,000
House allowance	502,500,000
Committee recommendation	502,500,000

PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education and training of veterans and servicepersons whose service occurred at least in part, between February 1, 1955 and December 31, 1976 (post-Korean and Vietnam-era veterans). It also finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action. Public Laws 98-525 and 100-48 provide educational assistance to veterans whose initial entry on active duty takes place after July 1, 1985. These benefits are included in the All-Volunteer Force Educational Assistance Program (new GI bill) authorized under 38 U.S.C. 30. Eligibility to receive this assistance began in 1987. Basic benefits are funded through appropriations made to the readjustment benefits appropriation. Supplemental benefits are also provided to certain veterans. These benefits are funded through transfers from the Department of Defense. This law also provides education assistance to certain members of the Selected Reserve. Reservists' training is funded through transfers from the Department of Defense and Department of Transportation.

COMMITTEE RECOMMENDATION

The Committee has provided $502,500,000 for readjustment benefits, the same amount provided by the House and requested by the administration. This will provide benefits to an estimated 329,675 recipients.

Obligations of $680,700,000 will be funded by this appropriation, including $411,600,000 for All-Volunteer Force assistance; $168,400,000 for special assistance to disabled veterans; $88,700,000 for education and training; and $12,000,000 for State approving agencies. There will be offsetting collections of $178,200,000 from the Departments of Defense and Transportation, and a transfer of $5,000,000 from the education loan fund.

The recommended amount is based on the following assumptions:

	1990	1991	Difference
Number of trainees:			
Education and training:			
Post-Korean conflict veterans and servicepersons	104,414		−104,414
Dependents	41,772	39,975	−1,797
All-Volunteer Force educational assistance:			
Veterans and servicepersons	89,600	124,800	+35,200
Reservists	124,100	136,400	+12,300
Special assistance to disabled veterans: Vocational rehabilitation	27,900	28,500	+600
Total	387,786	329,675	−58,111

	1990	1991	Difference
Funds:			
Education and training:			
Post-Korean conflict veterans and servicepersons	$77,304,000	−$15,000,000	−$92,304,000
Dependents	106,375,000	103,731,000	−2,644,000
All-Volunteer Force educational assistance:			
Veterans and servicepersons	218,774,000	292,886,000	+74,112,000
Reservists	108,000,000	118,700,000	+10,700,000
Special assistance to disabled veterans: Vocational rehabilitation	129,251,000	135,080,000	+5,829,000
Housing grants	14,951,000	14,361,000	−590,000
Automobiles and other conveyances	4,221,000	3,739,000	−482,000
Adaptive equipment	15,578,000	15,203,000	−375,000
Payment to States	12,000,000	12,000,000	
Unobligated balances and other adjustments	−185,254,000	−178,200,000	+7,054,000
Total appropriation	[1] 501,200,000	502,500,000	+1,300,000

[1] Excludes sequester from unobligated balances of $3,387,000.

The Committee has added bill language, at the request of the Department, which allows funds from this account to pay for any court order, court award, or compromise settlement arising out of litigation involving the vocational training program authorized by section 18 of Public Law 98-77, as amended. The Committee is aware that in *Pacheco* v. *Veterans Administration*, a Federal district court judge invalidated VA regulations which precluded Vietnam-era veterans from receiving educational assistance allowance benefits for pursuit of a course leading to a standard college degree or associate degree under the targeted delimiting date extension provisions of 38 U.S.C. 1662(a)(3). The VA has obligated the remaining $1,400,000 in readjustment benefits funds made available for this program pending a decision from the Comptroller General as to whether these funds or the Treasury's judgment fund are available to pay the court order or compromise settlement. Comptroller General personnel have informally advised the Department of Veterans Affairs that the $1,400,000 in readjustment benefits funds are available for this purpose and that any settlement or court order in excess of $1,400,000 would require a specific appropriation. The Committee is making funds available should this situation occur.

VETERANS INSURANCE AND INDEMNITIES

Appropriations, 1990	$13,940,000
Budget estimate, 1991	15,410,000
House allowance	15,410,000
Committee recommendation	15,410,000

PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; Servicemen's indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.

COMMITTEE RECOMMENDATION

The Committee has approved the budget estimate of $15,410,000 for veterans insurance and indemnities. This will cover the cost to various insurance funds for claims traceable to the extra hazards of service and death claims on policies under waiver of premiums while the insured is on active duty.

LOAN GUARANTY REVOLVING FUND

Appropriations, 1990	$558,500,000
Budget estimate, 1991	512,200,000
House allowance	670,200,000
Committee recommendation	670,200,000

PROGRAM DESCRIPTION

The loan guaranty revolving fund financed all operations of the loan guaranty program, prior to January 1, 1990, except administrative expenses. The purpose of the VA home loan guaranty program is to facilitate the extension of mortgage credit on favorable terms by private lenders to eligible veterans. Prior to 1985, financing needs were provided by transfer from the direct loan revolving fund. The continuing high rate of default has necessitated direct appropriations.

COMMITTEE RECOMMENDATION

The Committee has provided $670,200,000 for the loan guaranty revolving fund, the same as the House allowance and an increase of $158,000,000 over the budget estimate, reflecting a revised estimate by the Department.

The Committee continues to be very concerned with the high default rate in the loan guaranty program. The Committee notes that more than $3,000,000,000 was appropriated during the 1980's for the loan guaranty program. A supplemental appropriation of $245,000,000 was required in fiscal year 1990 due to a higher than anticipated number of foreclosures.

The Committee directs VA to improve the management of this program, including tightening underwriting standards and devising innovative methods to improve the marketing of properties. The Committee supports VA's efforts to utilize alternatives to foreclosure and to counsel and assist veterans who are behind on mortgage payments in order to prevent as many foreclosures as possible.

GUARANTY AND INDEMNITY FUND

Appropriations, 1990	
Budget estimate, 1991	$80,800,000
House allowance	80,800,000
Committee recommendation	80,800,000

PROGRAM DESCRIPTION

The guaranty and indemnity fund [GIF] finances all operations of the loan guaranty program for loans closed on or after January

1, 1990, except manufactured home loans and most administrative expenses.

This new fund was established in December 1989 by Public Law 101-237. To offset program expenses, a funding fee of 1.25 percent is collected on guaranteed loans and is deposited in the fund. Also credited to the GIF is a Government contribution of 0.75 percent (spread over 3 years) for each guaranteed loan.

Appropriation language is requested which provides for "such sums as necessary" for the purpose of making the above described Government contribution to the fund.

COMMITTEE RECOMMENDATION

The Committee has included bill language requested by the administration enabling the Department of the Treasury to make payments, as authorized by law, to the guaranty and indemnity fund. Such payments total 0.75 percent of each loan that is guaranteed by the Department of Veterans Affairs. The payments are made at the rate of 0.25 percent of each loan for 3 years.

The Committee is concerned with the administration's proposals to require a downpayment on VA home loans and to require veterans to pay a 1.75-percent fee on VA home loans. While the Committee supports VA's efforts to decrease losses to the Federal Government that are occurring due to a significant number of defaults on veterans home loans, the Committee is not supportive of the administration's proposals. These proposals would disable many first-time homebuyers from participating in the VA home loan guaranty program, a benefit which should continue to be available to all veterans.

DIRECT LOAN REVOLVING FUND

(LIMITATION ON DIRECT LOANS)

The revenues and receipts from direct loan operations make funds available for the extension of credit to severely disabled veterans for specially adapted housing and for current expenses, excluding administration expenses. In 1991, one direct loan in the amount of $33,000 is expected to be closed.

The Committee recommends the requested $1,000,000 limitation for specially adapted housing direct loans in 1991.

VETERANS HEALTH SERVICE AND RESEARCH ADMINISTRATION

MEDICAL CARE

Appropriations, 1990	$11,419,706,000
Budget estimate, 1991	12,227,066,000
House allowance	12,310,490,000
Committee recommendation	12,227,066,000

PROGRAM DESCRIPTION

The Department of Veterans Affairs [VA] operates the largest Federal medical care delivery system in the country, with 172 hospitals, 27 domiciliaries, 127 nursing homes, and 366 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliary, and outpatient clinic facilities; contract hospitals; State home facilities, on a grant basis; contract community nursing homes; and through the hometown outpatient program, on a fee basis. Hospital and outpatient care also is provided for certain dependents and survivors of veterans under the Civilian Health and Medical Program of the VA [CHAMPVA]. The medical care appropriation also provides for training of medical residents and other personnel in health science fields to support the agency's and the Nation's health manpower demands.

COMMITTEE RECOMMENDATION

The Committee has provided the administration's request of $12,227,066,000 for medical care, an increase of $807,360,000 over the current budget.

The Committee is highly supportive of VA's geriatric research, education, and clinical centers [GRECC's]. GRECC's are centers of excellence located at selected VA medical centers and are designed to attract outstanding professionals to teach and to conduct geriatric research in a clinical context and, as a result, have a positive impact on the care of older veterans. The Committee notes that there are currently 12 GRECC's operating around the country, while a total of 25 are authorized. Given the importance of attracting highly qualified medical professionals and the need to expand geriatric research as the Nation's veteran population ages, the Committee has added $8,400,000 for the establishment of 3 new GRECC's, with a goal of adding the remaining 10 by the end of fiscal year 1995.

The Committee has added $5,000,000 for post-traumatic stress disorder [PTSD] treatment activities, including the establishment of new PTSD clinical treatment teams and new inpatient PTSD units. The Committee directs VA to pay special attention to the needs of veterans living in rural areas and small towns and cities who may be unable to reach existing services without considerable difficulty.

The Committee notes that $10,100,000 appropriated in 1988 for a PTSD study for minority veterans did not include Asian Americans, native Hawaiians, native American Pacific islanders, Native Alaskans and American Indians. The Committee recognizes the urgent need for a minority PTSD study for these previously excluded groups, and accordingly, provides $1,500,000 for this study and directs the National Center on PTSD to conduct the study on these ethnic minorities such that vital data may be compiled, critical to the successful diagnosis and treatment of Asian Americans, American Pacific islander and native American veterans in a culturally sensitive and targeted manner. The Committee notes that the House provided $1,500,000 for a study of PTSD in minority Vietnam veterans. This amount was provided under the "Medical administration and miscellaneous operating expenses" account. VA advises that the study is more appropriately funded under the "Medical care" account.

The Committee has added $1,000,000 to the $47,286,000 requested for the readjustment counseling program. This program provides counseling to veterans suffering from post-traumatic stress disorder, employment and educational counseling, and family counseling. Because the administration requested level funding for this program, and in view of the program's value the Committee believes this increase is necessary.

The Committee has provided $14,500,000 for increased benefit costs, in lieu of $40,000,000 added by the House.

Last year, the Committee approved $3,000,000 to establish the Mobile Clinic Pilot Program, to improve the delivery of health care to eligible veterans living in rural areas. The Committee understands that the Secretary is currently reviewing a list of proposed sites for these clinics. The recommendation presented to the Secretary suggests funding five sites, while up to eight are authorized. Due to the high priority of this program, the Committee directs VA to provide $700,000 for one additional site.

The Committee has reduced the budget request for equipment, supplies, and materials, and other services by $30,400,000, in lieu of the House decrease of $28,576,000. This will provide an equipment budget of $354,962,000, an increase of 16 percent over the current budget.

The Committee has deleted $65,500,000 for increased pay costs, $500,000 for an outreach clinic in Floyd County, KY, and $6,000,000 for salary and other costs at long-term psychiatric care hospitals, which were added by the House.

The Committee has included bill language, as in the House, delaying the availability of $278,000,000 of the $487,478,000 provided for the equipment and lands and structures object classifications until August 1, 1991.

The Committee has not included language, contained in the House-passed version of the bill, earmarking $7,904,000,000 for personnel compensation and benefit costs. The Committee believes this unnecessarily restricts the Department's flexibility in meeting its demands. However, the Committee fully expects VA to maintain a minimum staffing level of 194,638 in fiscal year 1991.

The Committee strongly supports the Secretary's decision to continue the Veterans Integrated Community Care [VICC] Program in fiscal year 1991 at the fiscal year 1990 level with recurring dollars. This innovative outpatient mental health care program provides quality care to veterans at local community health care centers. Earlier this year, VA initially indicated that funding for the VICC Program would cease. The Committee notes that the fiscal year 1990 funding level for VICC is significantly lower than previous years because staff began to phase out the program. The Committee urges the Secretary to eventually restore the VICC budget to the funding level at the height of the program in fiscal year 1989.

The Committee is fully supportive of the administration's request for $30,000,000 for homeless programs, the full amount authorized by the Stewart B. McKinney Homeless Assistance Act.

The Committee directs VA to establish a 40-bed domiciliary homeless program at the Des Moines VAMC. The Committee understands that this will cost approximately $815,000.

The Committee wishes to express its support for the Medical Evaluation Reentry Program [MERP] at the Des Moines VAMC. This program provides a network of services which help homeless veterans become productive members of society. The program also is used to evaluate chronically ill patients including alcoholics.

The Committee continues to be concerned with the rapidly increasing number of aged veterans. The Committee wants to ensure that the VA is developing alternatives to institutional care to meet the continuum of long-term care needs required by aging veterans, such as geriatric evaluation, adult day care, and home health care. It is important that strategic planning to meet these needs take place immediately, because decisions are being made now that will affect the ability of the VA to put an infrastructure for long-term care in place. Therefore, the Committee requests that the VA submit a long-term strategic plan, concurrent with the submission of the fiscal year 1992 budget justification, for meeting both the institutional and noninstitutional care needs of aging veterans.

The Committee is enthusiastic about VA's efforts to establish geriatric evaluation units [GEU's] in each VA medical center. GEU's are designed to provide a multidimensional assessment of a geriatric patient's medical, functional, psychological, and socioeconomic status by an interdisciplinary health care team for the purpose of improving the diagnosis, treatment, and placement of that patient. The Committee notes that there are approximately 87 GEU programs in operation to date. The Committee directs VA to accelerate the schedule for establishing GEU programs in the remaining 85 medical centers and report to the Committee by June 14, 1991, on its progress.

According to the General Accounting Office, VA can convert hospital beds to nursing home care beds in less time and at less than one-half the cost of new construction. Furthermore, the Committee notes that the occupancy rate in VA hospitals is only 70 percent. Therefore, it is curious to note that the administration's budget does not propose any new bed conversions while proposing the activation of 553 new nursing home beds. Therefore, the Committee directs VA to make greater use of bed conversions in the future, and directs VA to maintain its schedule for implementing all planned bed conversions and to report to the Committee by June 14, 1991, on its progress.

The Committee is concerned with the Department's billing and collection practices which have resulted in the loss of millions of dollars each year to VA medical centers. The Committee supports VA's efforts to develop a strategy to improve identification, billing, and collection procedures. The Committee directs VA to give this effort high priority and to report by January 3, 1991, on the status of developing that strategy.

Over the past 10 years, health care policymakers, program administrators, and providers have paid increased attention to monitoring the quality of the health care provided in both public and private sector health care institutions. They have begun to intensify their efforts to develop policies and programs to promote quality care and prevent, identify, and rectify quality of care problems. The Joint Commission on Accreditation of Healthcare Organizations [JCAHO], the major accrediting body of medical facilities in the United States, has also begun to shift their traditional emphasis that based accreditation on how health care is provided (that is, the process and procedures followed by the providers) to a standard that evaluates how well it is provided (that is, the outcome of effectiveness of the services hemselves).

The Committee is distressed with data compiled by JCAHO which indicates that VA hospitals are significantly more likely than non-VA hospitals to fail quality standards in five of six areas including surgery, emergency care and intensive care, and safety management. The Committee is aware that a lack of accountability and the independence of each of the 172 medical centers has, in part, been responsible for this quality assurance problem. While the Committee recognizes the need for local flexibility, it believes that centralization and accountability would help to correct management deficiencies.

The Committee strongly endorses the recent efforts by VA to place a high priority on total quality management [TQM], quality assurance, and credentialing and privileging programs. These programs are intended to help the Department provide quality care, monitor the care that is provided, and ensure that the providers are properly qualified and clinically competent. Within the past year alone, the VA: (1) continued establishing TQM programs in VA medical centers, (2) developed scientific initiatives to improve their quality assurance programs, (3) issued policy guidance on credentialing and privileging for VA physicians and dentists, and (4) established a Quality Assurance Division in the Office of the Inspector General to oversee the VA's quality assurance programs.

Notwithstanding those good faith efforts, the Committee believes the VA's quality assurance programs merit even greater attention and require significant improvements. Appropriately, VA medical facilities, regional offices, and VA's Central Office each have certain quality assurance roles and responsibilities. However, unclear missions, numerous and dispersed organizations, and insufficient coordination between them has resulted in fragmented efforts and, at times, ineffective programs. In addition, staffing levels and the level of computer and other technical support are inconsistent and often inadequate. In summary, the Committee is concerned that the VA continues to lack a nationally directed, centrally integrated, fully staffed and technically supported medical quality assurance program.

Toward this end, the Committee directs VA to:

One, consolidate and integrate quality assurance functions at all levels of the organization;

Two, develop a mechanism (such as an advisory and operational committee reporting to the Chief Medical Director and the Secretary) to serve as a central coordinating body of quality assurance policies, plans, information, and activities;

Three, develop a center of quality assurance information to integrate and analyze information (such as JCAHO survey results and other externally and internally identified quality assurance data, mortality statistics, patient injury control data, tort claims statistics, et cetera.) to determine national, regional, and local trends and conduct prospective and retrospective analyses;

Four, require regional offices to monitor the quality assurance, patient injury control and related activities at VA medical facilities and followup on identified JCAHO contingencies and deficiencies, quality assurance, patient injury control, and other problems;

Five, develop a rational and consistent method (such as a ratio of quality assurance specialists to the number of beds, number of clinical services, number of physicians) to determine the appropriate kinds and numbers of managers and staff needed to perform quality assurance activities in VA medical centers, regional offices, and VA central office; and

Six, develop policies, guidance, and procedures for the credentialing and privileging of all physicians, physicians-in-training, and medical students on VA's staff or practicing in a VA facility (regardless of type of appointment, method of reimbursement, or full-time or part-time status).

The Committee directs VA to report by June 14, 1991, on its progress in correcting quality assurance problems and implementing the Committee's directives.

The Committee is concerned with VA's management of its prosthetics program. The Committee understands that there is no centralized funding for prosthetics. Individual VA medical centers do not utilize cost accounting, lack inventory control, and frequently make overpayments for the purchase of prosthetic appliances. The Committee further understands that VA hospital managers often use money intended for prosthetics to finance other hospital projects. All of this has resulted in some veterans having to wait months to receive wheelchairs and prosthetic devices. The Committee directs VA to develop a strategy to improve control and management of the prosthetics program and to report to the Committee within 30 days of enactment of this act on the strategy.

The Committee is highly supportive of VA's affiliation agreements with medical schools and recognizes the symbiotic nature of the relationship between VA hospitals and affiliated medical schools. However, the Committee is concerned that affiliated medical schools have a tendency to focus on inpatient care, rather than outpatient care. The aging veteran population is increasingly more in need of outpatient care than inpatient care. In view of this, and recognizing that VA's primary mission in its medical program is patient care, the Committee directs VA to ensure that affiliated medical schools focus to a greater extent on outpatient care.

The Committee has been concerned with the Department's sluggish response to recommendations made by the General Accounting Office in 1978 with respect to the VA optometry program. The Committee urges VA to resume the schedule for optometry staff expansion, increase VA's participation in the education and training of residents in optometry and fully implement the recommendations of the GAO report entitled "Role and Use of Optometry in the VA Need Improvement."

The Committee is pleased to learn that the target date for providing an additional 52 work-years at the Huntington Veterans Medical Center is September 1990, and urges VA to continue to evaluate the resources needed at the medical center and to provide additional work-years when the need changes due to new requirements such as the completion of the new clinical addition.

Last year, the Committee, in the Senate report accompanying the fiscal year 1990 VA, HUD, and Independent Agencies Appropriations bill, expressed its concern about the overall state of veterans health care and particularly about veterans who are transferred from the Clarksburg VA Medical Center to out-of-State VA medical facilities. In an effort to address this problem, the Committee encouraged the Department to conduct a demonstration project between the Clarksburg VA Medical Center and the Ruby Memorial Hospital to reduce the practice of transferring patients far from their own localities, thereby causing discontinuity of care, inconveniences for the patients and their families, and excessive delays in their receipt of medical care. In 1988 alone, at least 2,039 West Virginia veterans were sent to Pittsburgh outpatient clinics, while another 308 West Virginia veterans were hospitalized at out-of-State VA medical centers for services not available at the Clarksburg VA Medical Center and Ruby Memorial Hospital, a state-of-the-art, tertiary care hospital at West Virginia University. The West Virginia University School of Medicine, which is affiliated with Ruby Memorial Hospital, has a dean's committee relationship with the Clarksburg VA Medical Center, and this demonstration project would build upon that existing relationship.

A year has now passed, and it is the Committee's understanding that the demonstration project is still not planned and that there continues to be long delays in providing medical care for West Virginia veterans at the Clarksburg VA Hospital. The Committee is concerned about this situation and expects the VA to find a resolution to this matter as soon as possible.

The Committee is concerned that the Department is reviewing the possibility of contracting out the laundry production service at the Perry Point VA Medical Center. It is the Committee's understanding that if that service were contracted out, more than 50 employees would be displaced. The Committee believes that the potential savings that might result from contracting out would not outweigh the associated costs to the displaced employees. Therefore, the Committee directs that VA terminate any action being undertaken to contract out (or to study the possibility of contracting out) the laundry production function at Perry Point.

The Committee provided funding in its fiscal year 1990 bill to expand the VA alcohol outreach program in Gallup, NM. The Committee is pleased with progress to provide these needed services and urges VA to continue this initiative in fiscal year 1991.

The Committee supports funding for the satellite VA clinics in Artesia, Farmington, Silver City, and Raton, NM. These clinics serve veterans in rural areas of New Mexico that have limited access to care in the Albuquerque VA Medical Center because of the long distances to be traveled.

The Committee supports the House directives to establish a satellite outpatient clinic in the Joliet, IL, area and a community-based clinic in the Decatur or Springfield, IL, area.

The Committee encourages VA to use a portion of its psychology training funds for postdoctoral training.

The Committee is concerned over the projected backlog of replacement equipment for VA hospitals. VA estimated the backlog in 1989 to be $497,000,000. Projected backlogs for 1990 and 1991 are $638,000,000 and $792,000,000, respectively. The Committee is concerned as to the accuracy of this backlog data. Therefore, the Committee directs VA to take steps necessary to ensure its accuracy and to report to the Committee by June 14, 1991, on the steps being taken to better manage this inventory.

The Committee is concerned with the growing cost and possible impending shortage of oil supplies. Therefore, the Committee directs VA to promote the use of energy efficient measures in each of its hospitals, clinics, and offices.

MEDICAL AND PROSTHETIC RESEARCH

Appropriations, 1990	$212,652,000
Budget estimate, 1991	198,537,000
House allowance	216,795,000
Committee recommendation	226,537,000

PROGRAM DESCRIPTION

The "Medical and prosthetic research" account provides funds for the conduct of the VA's Medical Research Program and for a Rehabilitation Research Program focusing on rehabilitation engineering problems in the field of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. The "Medical and prosthetic research" account also provides support for a Health Services Research Program at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

COMMITTEE RECOMMENDATION

The Committee has provided $226,537,000 for VA medical care, an increase of $9,742,000 above the House allowance, an increase of $28,000,000 over the budget estimate, and an increase of $13,885,000 over the current budget.

The Committee recognizes that the VA medical research program is a significant element in helping VA recruit and retain high-caliber medical professionals. The Committee notes that with the requested budget, VA would be able to fund 1,868 investigator-initiated projects. The increase will allow VA to fund an additional 373 projects.

The Committee has earmarked an additional $5,000,000 above the request of $10,275,000 for health services research. This research enables VA to improve the quality, efficiency, and cost effectiveness of health care to veterans. The Committee notes that the challenges facing the veterans health care system are significant, including rising health care costs, the aging of the veteran population, concerns about the overall quality of care, and questions about the effectiveness and appropriateness of certain procedures and treatments. The Committee believes an increase in health services research funding may prove to be an important tool in decreasing overall health care expenses over the long term. Thus, the Committee believes the increase in funding is justified.

The Committee has earmarked in the bill $1,000,000 for a survey and evaluation of the scientific evidence relating to dioxin and other toxic herbicides used in Vietnam. The Committee is concerned that the Department chose not to follow report language included in the report accompanying the fiscal year 1990 VA, HUD, and Independent Agencies Appropriations Act with respect to a survey and evaluation of the scientific evidence relating to exposure of dioxin and other toxic herbicides used in Vietnam. Therefore, the Committee has been forced to include the necessary bill language earmarking funds for this purpose. The survey is to be carried out as specified in S. 1153.

It has come to the Committee's attention that women and minorities have been seriously underrepresented in many areas of medical research being conducted in this country. This concern extends to both the inclusion of women and minorities in clinical study populations and also an inadequate emphasis on conditions and diseases unique to, or more prevalent in, women and minorities. The Committee requests that the VA make every effort to provide for adequate representation of women and minorities, within the constraints imposed by the characteristics of the population served by the VA, in VA-funded medical research projects, and to develop a policy to ensure such representation. The Committee requests that the VA report back by June 1, 1991, on efforts being undertaken in this area.

HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

Appropriations, 1990	([1])
Budget estimate, 1991	([1])
House allowance	([1])
Committee recommendation	$10,606,000

[1] This program is funded under the "Medical administration and miscellaneous operating expenses" account.

PROGRAM DESCRIPTION

The Health Professional Scholarship Program provides for tuition, stipend, and other educational expenses to eligible full-time students leading to degrees in nursing and other allied health disciplines. Scholarship recipients incur a service obligation to VA for a period of 1 year for each year of scholarship support. The scholarship program, originally established by Public Law 96-330, was implemented in 1982.

COMMITTEE RECOMMENDATION

The Committee has included in a new account $10,606,000 for the Health Professional Scholarship Program. This is an increase of $1,000,000 over the administration's request and an increase of $1,005,000 over the fiscal year 1990 appropriation. The Committee notes that, in the past, it has provided funding for this program under the "Medical administration and miscellaneous operating expenses" account. The House has included the administration's request of $9,606,000 for the program under the "Medical administration and miscellaneous operating expenses" account.

The Committee notes that this program plays a key role in VA's recruitment and retention of health care professionals. Because of the importance of this function, the Committee has created a separate account.

In the 1989-90 school year, VA awarded 350 nurse and 44 physical therapist scholarships. VA currently has a total of 400 nurses employed under scholarship obligation.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Appropriations, 1990	$46,697,000
Budget estimate, 1991	47,729,000
House allowance	52,047,000
Committee recommendation	37,123,000

PROGRAM DESCRIPTION

This appropriation provides funds for: (1) central office executive direction (Chief Medical Director and staff), administration and supervision of all VA medical programs, including development and implementation of policies, plans and program objectives as well as followup action to insure the accomplishment of goals; and (2) grants under the Health Professional Scholarships Grant Program for eligible students in nursing and other health professional degree programs.

COMMITTEE RECOMMENDATION

The Committee has provided $37,123,000 for medical administration and miscellaneous operating expenses.

A reduction of $10,606,000 below the administration's request reflects the fact that funding for the health professional scholarship program has been provided in a separate account.

The Committee has taken a general reduction of $1,000,000 to be taken at the discretion of the Secretary.

The Committee notes that it has included in the "Medical care" account $1,500,000 for a minority post-traumatic stress disorder study. The House provided $1,500,000 for this study in the "Medical administration and miscellaneous operating expenses" account.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

Appropriations, 1990	$492,000
Budget estimate, 1991	484,000
House allowance	484,000
Committee recommendation	484,000

PROGRAM DESCRIPTION

Public Law 101-687, enacted to assure the continued effective care and treatment of U.S. veterans at the Veterans Memorial Medical Center [VMMC], provides for an annual grant of $1,000,000 through 1989. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMMC's physical plant and facilities.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $484,000 for grants to the Republic of the Philippines. This grant will assure the continued effective care and treatment of veterans at the medical center.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

Appropriations, 1990	$811,628,000
Budget estimate, 1991	902,514,000
House allowance	902,514,000
Committee recommendation	865,415,000

PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Veterans Benefits Administration; the operation and maintenance of 146 cemeterial activities by the national cemetery system; and top management direction and support through Department-level staff offices including the Office of Information Resources Operations. Specifically, general operating expenses cover the following activities:

Veterans benefits.—This activity determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards.

Memorial affairs.—This activity provides for the interment of eligible deceased servicepersons, discharged veterans, and dependents in national cemeteries and procures headstones and markers for graves of eligible active duty personnel as well as discharged veterans.

General administration.—This activity includes the executive direction of the Department and several top level supporting offices, plus the activities of the Board of Veterans Appeals, which decides all cases of appeals to the Secretary on claims involving benefits under veterans legislation, and the Board of Contract Appeals, which decides appeals on the contracts made by the VA.

COMMITTEE RECOMMENDATION

The Committee has provided $865,415,000 for general operating expenses, an increase of $53,787,000 or 6.6 percent over the current budget.

The Committee has added $1,000,000 and 22 work-years to support the vocational rehabilitation and counseling program. The Committee understands that caseloads of VA's vocational rehabilitation counselors and specialists are well above current VA standards. Managers handle 222 cases while the standard is 150 cases. The additional funds will allow VA to reduce average caseloads to 193. The Committee urges VA to ensure that some of the additional counselors are assigned to locations where they will be able to provide assistance to Vietnam veterans living in rural communities and smaller cities, where they are currently underserved.

The Committee notes that the administration's budget would provide a 51-percent increase for automated data processing [ADP] systems management. While the Committee is fully supportive of this project, it cannot provide an increase of this magnitude due to severe budget constraints. The Committee has reduced the budget by $8,000,000. The Committee notes that this will provide a budget of $61,213,000 for ADP systems management, an increase of 33 percent over the current budget.

The Committee concurs with the House in decreasing the budget for central office renovation by $3,000,000.

The Committee has reduced the administration's budget for the national cemetery system by $3,000,000 for a total budget of $51,806,000. This represents an increase of 7.2 percent over the current budget.

The Committee has reduced general administration by $12,000,000. This will provide for a total budget of $230,450,000, an increase of $29,867,000 or 15 percent over the fiscal year 1990 budget.

The Committee has taken a further reduction of $12,099,000 to be taken at the discretion of the Secretary.

The Committee does not concur with the House increases of $8,000,000 for Veterans Benefits Administration field staffing; $250,000 for Board of Veterans Appeals staffing; and $6,400,000 for phase II of the loan production system.

The Committee has included bill language enabling VA to enter into enhanced-use agreements with respect to facilities located at the VAMC, Baltimore, MD, (Loch Raven). Recently, VA proposed a private/public venture to convert the VA medical center in Baltimore, which is to be replaced by a new facility in 1992, as a nursing home for both veterans and private citizens. The project would be a national model for similar facilities in the future which are no longer suitable for their original purpose, but may be utilized for other purposes, such as long-term care facilities. While the Government would retain ownership of the facility, it would be leased to a private developer who will renovate the facility for nursing home use.

The Committee has included bill language increasing the Department's representation and reception allowance to $25,000. The Committee notes that 6 of the 14 Federal departments have representation expenses in excess of $25,000. As the second largest civilian Federal department, the Committee believes a VA representation allowance of $25,000 is warranted.

The Committee has deleted language in the House-passed bill earmarking $616,658,000 and not less than 12,550 work-years for the Veterans Benefits Administration.

The Committee is concerned with a recent report issued by the General Accounting Office that found that the average processing time for appeals decided by the Board of Veterans Appeals was 463 days in fiscal year 1989. The Committee believes this is an inordinate and unacceptable length of time to process a veteran's appeal. The Committee is fully supportive of GAO's recommendations that VA analyze the entire appeals process to identify when and where delays occur, and take steps to reduce the waiting time for decisions; develop time standards and provide more effective guidance

and oversight to help reduce processing time variations among regional offices, and to ensure they comply with required procedures; designate a focal point to lead efforts to resolve problems and to obtain cooperation among the VA units involved in the appeals process so that needed changes can be made in a timely manner; and account for all time spent on appeals. The Committee directs VA to report by January 2, 1991, on its progress in implementing these recommendations.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1990	$21,786,000
Budget estimate, 1991	26,859,000
House allowance	26,859,000
Committee recommendation	24,859,000

PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978 and is responsible for the audit and investigation of all Department of Veterans Affairs programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommends $24,859,000 for the Office of Inspector General, an increase of $3,073,000 or 14 percent above the current budget, and a decrease of $2,000,000 below the administration's request and the House allowance.

The reduction is to be taken at the discretion of the Secretary.

CONSTRUCTION, MAJOR PROJECTS

Appropriations, 1990	$408,542,000
Budget estimate, 1991	530,000,000
House allowance	575,456,000
Committee recommendation	522,459,000

PROGRAM DESCRIPTION

The construction, major projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, and site acquisition where the estimated cost of a project is $3,000,000 or more.

Emphasis is placed on correction of life/safety code deficiencies in existing VA medical facilities. Funds again are requested for the Design Fund which would provide working drawings for projects planned for the following budget year.

COMMITTEE RECOMMENDATION

The Committee has provided $522,459,000 for construction, major projects. This is an increase of $113,917,000 or 28 percent over the current appropriation.

The Committee concurs with the House in providing $8,000,000 for a clinical, outpatient, research, parking, and central air-conditioning project at the Ann Arbor VAMC.

The Committee notes that the nursing home care unit at the Tuskegee VA Medical Center is in dire need of renovation. The Committee understands that the elderly, bedridden veterans who are cared for in this facility are subjected to uncomfortable, inefficient, and potentially dangerous conditions. Furthermore, the facility does not currently meet fire and safety codes. Given the importance of upgrading this facility, the Committee has included $624,000 for the design of the renovation of this facility. The Committee expects the administration to include sufficient funds in its fiscal year 1992 budget request for the construction costs of this project.

The Committee is concerned that construction of the previously approved VA pedestrian bridge at the Portland, OR, VAMC is more than 1 year behind schedule and that adverse impacts on current and future medical services at that facility, not to mention cost increases in the project, will result. In addition, it should be pointed out that accreditation affecting neurosurgical services was approved in 1989 only on an interim 2-year basis pending completion of the bridge. Therefore, the Committee has provided not to exceed an additional $8,000,000 to complete the project and directs VA to proceed expeditiously with the solicitation of construction bids in order to avoid further delays.

The Committee has included $3,200,000 for design and site preparation of a clinical addition project at Wilmington, DE, as provided by the House.

The Committee has provided $250,000 for the advance planning and an environmental impact statement for a new national cemetery in the Oklahoma City-Lawton, OK, area.

The Committee concurs with the House in providing $25,000 for an environmental assessment to expand the veterans national cemetery in Alexandria, LA. In determining the most appropriate area for the expansion of the cemetery, VA is directed to consider the Leesville, Fort Polk, and Barksdale areas.

The Committee has provided $2,385,000 for planning and site acquisition for a new national cemetery in the Seattle/Tacoma area of Washington. This amount was also provided by the House.

The Committee directs VA to provide $250,000 for an environmental impact statement for a new cemetery in the Pittsburgh, PA, area.

The Committee continues to support the construction of a research addition to the Huntington, WV, VA Medical Center. The Committee has added $250,000 in advance planning funds so that construction of the addition can be started in fiscal year 1994, in keeping with original plans. This addition will complete the major missions of the Huntington VAMC and will contribute to the quality of patient care and enhance the recruitment of highly qualified staff.

The Committee has provided $65,400,000 for the Indianapolis VAMC Clinical Improvements and Mental Health and Behavioral Sciences Center project, in lieu of the administration's request for $79,400,000. The $14,000,000 reduction reflects the fact that only two of the three phases of the project require funding in fiscal year 1991. The final phase, renovations, will be awarded in fiscal year 1992. The Committee expects the administration will request $14,000,000 for the renovations phase in the fiscal year 1992 budget.

The Committee has taken a reduction of $525,000 from the $14,170,000 requested for the advance planning fund and a general reduction of $16,000,000.

The Committee does not concur with the following increases made by the House: $7,000,000 for the new hospital in Detroit; $8,900,000 for a 120-bed nursing home care unit at Lake City, FL; $3,400,000 for a laundry and warehouse project at Mountain Home, TN; $800,000 for the advance planning of a modernization project at the Wilkes-Barre VA Medical Center; $4,800,000 for the contract documents of a replacement for the ambulatory care facility on the grounds of the William Beaumont Army Medical Center at El Paso; $3,100,000 for the modernization of psychiatric and outpatient facilities at Northport, NY; $1,450,000 for planning and site acquisition for a new national cemetery at Albany, NY; $1,506,000 for planning and site acquisition for a new national cemetery in the Chicago area; and $1,690,000 for planning and site acquisition for a new national cemetery in the Cleveland area.

The Committee was informed last year that the new clinical addition to the Huntington VA Medical Center had received a notice to proceed on December 5, 1988, and that the project was under construction and 4 percent complete. It is the Committee's understanding that the completion of construction of the addition will not now be completed until 1992 despite the fact that it had been informed that the project had been moved forward.

The Committee also continues to be very concerned about the lack of inpatient psychiatric services at the Huntington, VA Medical Center. It was anticipated that the opening of the new clinical addition would provide the space needed to create a 30-bed psychiatric ward at the medical center. Two years ago the Committee was informed that the planned phasing of the clinical addition construction had been modified to move the renovation forward and that the psychiatric ward could be opened in 1990. The Committee was later told that the construction project was scheduled for 1992. The Committee urges VA to accelerate its efforts to complete the clinical addition to the Huntington VA Medical Center.

The Committee was told in an answer last year to a question for the record of the Department of Veterans Affairs Appropriations Hearing, that, if the circular A-76 approval were granted, the Martinsburg Medical Center laundry replacement facility would be considered for funding in fiscal year 1991, and that a project was being considered for fiscal year 1991 to renovate space at the Clarksburg Medical Center to accommodate an increase of 30 nursing home care beds. Subsequently, the Committee has been advised that the laundry renovation and equipment replacement projects are now planned for 1993 and that a domiciliary unit containing 200 beds is scheduled for inclusion in the advance planning fund for fiscal year 1992 with design and construction planned for fiscal year 1995. The Committee is concerned about the apparent delays in the implementation of these projects and directs VA to redouble its efforts to bring them about more quickly.

Last year the Committee urged VA to purchase a parcel of land adjacent to the Beckley VA Medical Center. This parcel of land is the only undeveloped land adjacent to the hospital and its purchase would provide the Federal Government with the flexibility of using it in the future. It is the Committee's understanding that the mid-Atlantic region has endorsed a local recommendation to explore the feasibility of acquiring the subject property and that this adjacent property would provide a desirable location for siting any future structure such as a nursing home care unit. The Committee urges VA to complete its review of the need for this land and to complete its purchase as expeditiously as possible.

The Committee is concerned about lengthy delays in the construction schedule of the West Virgina National Cemetery which was first consecrated on October 19, 1985. Construction was to be completed in the spring of 1990. The Committee understands that completion is now not expected until April 1991. The Committee urges VA to monitor this project carefully so as to avoid further delays in the completion of this important project.

The Committee supports the Secretary's plans for a veterans medical center [VAMC] in Hawaii, in conjunction with Tripler Army Medical Center's [TAMC] E-wing which will house 105 acute medical and surgical beds, and a separate free-standing VA structure adjacent to Tripler which will house 60 long-term care beds, an outpatient clinic, and the regional benefits office. The Committee endorses the sharing of a limited amount of support and tertiary care services between the VAMC and TAMC, but stresses that the proposed VAMC should otherwise operate as an identifiably separate VAMC.

Hawaii's 110,000 veterans have waited over 25 years for a VA inpatient facility. Accordingly, the Committee is concerned that the new VAMC–TAMC plans will result in a further delay. At a Senate Veterans' Committee oversight hearing in Honolulu on August 14, 1990, the Chief Medical Director indicated that although the VA is attempting to complete its planning by the January 1991 deadline, the VA will not seek funding for the facility until fiscal year 1993. The Committee urges the VA to make every effort to accelerate its planning and construction process to adhere to the original projected completion date of 1996 for the Hawaii VAMC.

Based on the Army's testimony that the E-wing can be completely reconstructed in 12 to 18 months, the Committee urges the VA to make every effort to open beds at the E-wing portion of the hospital by 1993, and directs the Secretary to provide a feasibility report to the Congress by March 1, 1990. To expedite the opening of the E-wing, the Committee directs VA to consider utilizing the services of the Army Corps of Engineers, Pacific Ocean Division, which fully renovated other TAMC wings, and to work closely with the Assistant Secretary of the Army for Installations and Logistics to coordinate VA–DOD planning of the facility.

The Committee further directs VA to use the $3,000,000 in advance planning funds previously appropriated for the Hawaii Veterans Medical Center project to employ an architectural-engineering firm (possibly the Army Corps of Engineers) and begin specific planning for the hospital by the end of fiscal year 1991.

The Committee is concerned that tour operator traffic at the National Cemetery of the Pacific may adversely affect the spiritual values of the facility as well as place a strain on cemetery resources, and directs VA to engage in a dialog with tour operators, the Hawaii Visitors Bureau, veterans service organizations, and other relevant parties to develop a fair and efficient tour operator user plan for the cemetery.

The Committee recognizes the need for a replacement hospital in Palo Alto following the earthquake in October 17, 1989, which damaged the existing VA hospital. The Committee notes that $20,000,000 was provided through the President's emergency fund in April 1990, for the design of this replacement facility. The Committee understands that no additional funds are required in fiscal year 1991 for the design of the project to go forward. However, the Committee fully expects the administration's fiscal year 1992 budget request to include such funds as are necessary for the construction of the replacement Palo Alto VA hospital.

The Committee notes that the VA plans to complete in October 1991 a new national cemetery in the San Joaquin Valley in Merced County, CA. The Committee is concerned that the Department has not taken affirmative steps to work with Merced County to ensure needed capital improvements to McCabe Road, the only access road to this new national cemetery. The Committee directs the Department to redouble its efforts to see that the improvements are in place prior to the opening of the cemetery.

The Committee is supportive of the VA's efforts to implement improvements in its construction program in order to reduce the incidence of major construction cost overruns.

The Committee has included bill language requested by the administration and included by the House increasing the threshold for major construction projects from $2,000,000 to $3,000,000.

The following table compares the Committee's recommendation with the House and budget request:

CONSTRUCTION, MAJOR PROJECTS, FISCAL YEAR 1991

Facility type and location	Administration request	House recommendation	Senate recommendation
A. MEDICAL PROJECTS			
Replacement and modernization:			
Ann Arbor, clinical, outpatient research. parking, and central air-conditioning		$8,000,000	$8,000,000
Detroit, MI, replacement and modernization	$240,077,000	247,077,000	240,077,000
Indianapolis, IN, clinical improvements and mental behavioral science center	79,400,000	79,400,000	65,400,000
Martinez, CA, clinical improvements and correct seismic deficiencies	15,300,000	15,300,000	15,300,000
New Orleans, LA, contractor claims	3,300,000	3,300,000	3,300,000
Portland, OR, pedestrian bridge			8,000,000
Subtotal	338,077,000	353,077,000	340,077,000
Nursing home care:			
Lake City, FL, 120-bed unit		8,900,000	

CONSTRUCTION, MAJOR PROJECTS, FISCAL YEAR 1991—Continued

Facility type and location	Administration request	House recommendation	Senate recommendation
Palm Beach, FL, 120-bed unit	10,200,000	10,200,000	10,200,000
Subtotal	10,200,000	19,100,000	10,200,000
Outpatient improvements: Pittsburgh, PA, contractor claims	3,100,000	3,100,000	3,100,000
Advance planning fund:			
Wilkes-Barre, PA, modernization		800,000	
Huntington, WV, research addition			250,000
Various stations	12,500,000	11,700,000	12,250,000
Subtotal	12,500,000	12,500,000	12,500,000
Asbestos abatement: Various stations	21,248,000	21,248,000	21,248,000
Clinical improvements:			
Durham, NC, clinical addition	6,400,000	6,400,000	6,400,000
Oklahoma City, OK, replace operating suite	16,600,000	16,600,000	16,600,000
Togus, ME, clinical improvement, building 200	5,360,000	5,360,000	5,360,000
Subtotal	28,360,000	28,360,000	28,360,000
General improvements: Mount Home, TN, laundry and warehouse		3,400,000	
Design fund:			
El Paso, TX, ambulatory care facility replacement		4,800,000	
Northport, NY, modernize psychiatric and outpatient facilities		3,100,000	
Wilmington, DE, clinical addition project		3,200,000	3,200,000
Tuskegee, AL, nursing home			624,000
Various stations	8,200,000	8,200,000	8,200,000
Subtotal	8,200,000	19,300,000	12,024,000
Hazardous waste: Various stations	2,000,000	2,000,000	2,000,000
Seismic: Long Beach, CA, structural seismic corrections	67,200,000	67,200,000	67,200,000
Less: Fiscal year 1990 design fund	−1,340,000	−1,340,000	−1,340,000
Subtotal, Veterans Health Services and Research Administration	489,545,000	527,945,000	495,369,000
B. REGIONAL OFFICE PROGRAM			
Regional office projects:			
Advance planning fund: Various stations	450,000	450,000	450,000
Design fund: Various stations	1,000,000	1,000,000	1,000,000
Montgomery, AL, RO/VAMC collocation	8,000,000	8,000,000	8,000,000
Total, regional office program	9,450,000	9,450,000	9,450,000
Less:			
Fiscal year 1990 design fund	−220,000	−220,000	−220,000
Fiscal year 1989 design fund	−180,000	−180,000	−180,000
Subtotal, Veterans Benefits Administration	9,050,000	9,050,000	9,050,000
C. NATIONAL CEMETERY SYSTEM			
Advance planning fund:			
Alexandria, LA, environmental assessment for expansion of cemetery		25,000	25,000
Oklahoma City, OK, environmental impact statement			250,000
Pittsburgh, PA, environmental impact statement			250,000
Various stations	1,220,000	1,220,000	945,000
Total, advance planning fund	1,220,000	1,245,000	1,470,000
Design fund: Various stations	150,000	150,000	150,000

CONSTRUCTION, MAJOR PROJECTS, FISCAL YEAR 1991—Continued

Facility type and location	Administration request	House recommendation	Senate recommendation
Albany, NY, planning and site acquisition for new cemetery		1,450,000	
Chicago, IL, planning and site acquisition for new cemetery		1,506,000	
Cleveland, OH, planning and site acquisition for new cemetery		1,690,000	
Fort Logan, CO, develop gravesites and assembly area	3,300,000	3,300,000	3,300,000
Seattle/Tacoma, WA, planning and site acquisition for new cemetery		2,385,000	2,385,000
Total, national cemetery projects	4,670,000	11,726,000	7,305,000
Less: Fiscal year 1990 design fund	−165,000	−165,000	−165,000
Subtotal, national cemetery system	4,505,000	11,561,000	7,140,000
D. STAFF OFFICES			
Washington, DC, VA central office	22,000,000	22,000,000	22,000,000
E. JUDGMENT FUND			
Various stations	4,900,000	4,900,000	4,900,000
F. GENERAL			
General reduction			−16,000,000
Total, new budget authority, major projects	530,000,000	575,456,000	522,459,000

CONSTRUCTION, MINOR PROJECTS

Appropriations, 1990	$91,637,000
Budget estimate, 1991	145,640,000
House allowance	146,140,000
Committee recommendation	130,640,000

PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the VA, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than $3,000,000. Emphasis is placed on correction of code deficiencies in this appropriation request. The recommendation includes funding for personnel and other expenses of the Office of Facilities.

COMMITTEE RECOMMENDATION

The Committee has provided $130,640,000 for minor construction projects, an increase of $39,003,000 or 42.6 percent over the current budget.

The Committee notes that there is an unobligated balance of approximately $20,000,000 in the "Construction, minor projects" account. The Committee has reduced this balance by $15,000,000.

The Committee directs VA to provide $1,000,000 to construct a pedestrian bridge to connect the University of Arkansas for Medical Sciences clinical building and the John L. McClellan Memorial Veterans Hospital. The Committee notes that the bridge will greatly enhance cooperative ventures between the two institutions, including the sharing of equipment and the transport of patients.

The Committee supports the VA's plans to construct a permanent 20,000-square-foot outpatient clinic in Lawton, OK, adjacent to the Reynolds Army Hospital, Fort Sill, OK.

The Committee directs the VA to construct a heating and air-conditioning plant at the Muskogee, OK, VAMC. The chiller plant replacement is urgently needed; temperatures in excess of 95 degrees have been recorded in intensive care units during previous air-conditioning failures. Thus, the Committee believes that this project warrants funding in fiscal year 1991.

The Committee directs the VA to provide $40,000 for an addition to the Fort McPherson National Cemetery in Maxwell, NE.

The Committee has included the requested limitation of $44,420,000 for the Office of Facilities.

The Committee has included bill language, as requested by the administration, increasing the minor cost limitation from less than $2,000,000 to less than $3,000,000.

PARKING GARAGE REVOLVING FUND

Appropriations, 1990	$28,543,000
Budget estimate, 1991	18,900,000
House allowance	28,900,000
Committee recommendation	18,900,000

PROGRAM DESCRIPTION

The revolving fund provides funds for the construction, alteration, and acquisition (by purchase or lease) of parking garages at VA medical facilities authorized by 38 U.S.C. 5009.

The Secretary is required under certain circumstances to establish and collect fees for the use of such garages and parking facilities. Receipts from the parking fees are to be deposited in the revolving fund and would be used to fund future parking garage initiatives.

COMMITTEE RECOMMENDATION

The Committee has provided $18,900,000 as requested by the administration for the parking garage revolving fund. The Committee has deleted $10,000,000 provided by the House for the parking garage component of the major construction project at the Ann Arbor VA Medical Center. It is the Committee's understanding that these funds will not be required in fiscal year 1991.

The Committee continues to be concerned with the inconvenient and often hazardous situations posed by the limited parking facilities available at the Pittsburgh, PA, VA Medical Center (University Drive). The 600 parking spaces presently available are insufficient to accommodate the approximately 1,300 employees, 9,000 inpatients, and the estimated 128,000 outpatients who utilize the medical center. Accordingly, the Committee urges the Department to address the situation on a priority basis with a goal to commence construction of additional parking facilities in fiscal year 1991.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriations, 1990	$41,349,000
Budget estimate, 1991	42,000,000
House allowance	65,000,000
Committee recommendation	70,000,000

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in acquiring or constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year.

As of September 30, 1989, Federal funds in the amount of $349,082,000 have been obligated to help finance 222 projects in 40 States.

COMMITTEE RECOMMENDATION

The Committee has provided $70,000,000 for grants for the construction of State extended care facilities, an increase of $5,000,000 above the House allowance, an increase of $28,000,000 above the budget request, and an increase of $28,651,000 above the current budget.

This program is an integral part of VA's plan to accommodate the increasing number of aging veterans. The Committee notes that there is a backlog of eligible applications pending approval totaling $160,000,000. Therefore, the Committee has added funds above the request to begin to reduce this backlog.

The Committee is concerned that certain States may be receiving a disproportionate share of the total amount of funding available in this program each year. With interest in this program growing among the States, several big projects in larger States may require nearly all of the funds provided in one year's budget. Therefore, the Committee encourages the VA to review current policies and regulations to ensure equal access to grants for small rural States, and directs the VA to ensure that grants are awarded as equitably as possible.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS' CEMETERIES

Appropriations, 1990	$4,288,000
Budget estimate, 1991	3,946,000
House allowance	3,946,000
Committee recommendation	3,946,000

PROGRAM DESCRIPTION

Public Law 95-476, as codified in title 38 U.S.C. 1008, established authority to provide aid to States for establishment, expansion, and improvement of veterans' cemeteries. States receive financial assistance to provide burial space for veterans and to enhance the national cemetery system. The cemeteries are operated and permanently maintained by the States. A grant may not exceed 50 percent of the total value of the land and the cost of improvements. The remaining amount must be contributed by the State.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $3,946,000 for grants for construction of State veterans' cemeteries in fiscal year 1991.

ADMINISTRATIVE PROVISIONS

The bill continues five administrative provisions carried in previous appropriations acts.

The Committee has also included bill language to enable VA to pay the underlying obligation currently mandated by the Competitive Equality Banking Act of 1987, which generally limits negotiability, claimability, and reclaimability of Treasury checks to 1 year from the date of issuance of the check. The issuing agency, in this case VA, remains responsible for the underlying obligation for checks canceled due to late presentation or if a forged check claim is presented later than 1 year after the date of issuance of the check.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Appropriations, 1990	$14,894,065,000
Budget estimate, 1991	21,354,060,000
House allowance	25,931,713,400
Committee recommendation	24,867,988,400

GENERAL DESCRIPTION

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89-174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation's housing needs, fair housing opportunities, and improving and developing the Nation's communities.

In carrying out the mission of serving the needs and interests of the Nation's communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunity; programs aimed at insuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace and fosters programs and research that stimulate and guide the housing industry to provide not only housing but a suitable living environment.

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

Appropriations, 1990	$7,799,355,431
Budget estimate, 1991	7,352,317,300
House allowance	11,625,086,000
Committee recommendation	10,810,000,000

PROGRAM DESCRIPTION

Currently, the Department's assisted housing efforts principally consist of a low-income public housing program, the section 202(h) program for the handicapped, and the section 8 lower income rental housing assistance program.

Under the Public Housing Program, local public housing agencies develop, own, and operate low-income public housing projects, with HUD entering into a commitment to pay construction and modernization (including technical assistance and training) costs to help assure low rents and adequate services. Financial assistance is also provided to Indian housing authorities to plan, build, own, and operate low-income public housing projects.

Public housing modernization funds enable PHA's and IHA's to correct the physical condition and upgrade the management and operation of existing public and Indian housing projects and to achieve operating efficiency and economy to assure that such projects continue to be available to serve lower income families. These activities involve alterations, additions, demolition, or rehabilitation of existing structures, replacement of nonexpendable equipment, and improving the management and operation of such projects to assure that they continue to be available to serve lower income families.

The Housing and Community Development Act of 1987 authorized a rental subsidy program for the handicapped under section 202(h). As with the section 202 program to assist the elderly, projects are developed utilizing funds made available under the section 202 loan fund. However, rental assistance is made available under the provisions of section 202(h) and is not linked to the section 8 program. Under the section 8 rent subsidy certificate program, the Department pays the difference between what an eligible lower-income household can afford (30 percent of income for most programs), and the fair market rent for an adequate housing unit. This rental assistance may be used for existing housing, for new construction of units for elderly and handicapped individuals and for rehabilitated units. Under the section 8 housing voucher programs the Department provides a fixed amount for eligible lower-income households regardless of the rent actually paid.

Other uses for section 8 assistance include: relocation, preservation, owner opt-outs, loan management, and property disposition activities; conversion of section 23 units to section 8 assistance; single-room occupancy assistance for the homeless; amendments to existing contracts; renewal of expiring subsidy contracts and aid to tenants affected by public housing demolition and disposition.

The Department's 1991 budget incorporates the sale of public housing projects and use of section 8 assistance into a new HOPE initiative. Section 8 vouchers and certificates would be employed to facilitate public housing homeownership; as part of a three-pronged preservation strategy aimed at the problem of prepayment of section 236 and section 221(d)(3) mortgages; and as a shelter plus care component directed toward assisting the homeless. Other proposed uses for annual contributions assistance entail an elderly independence demonstration and an urban homesteading initiative.

Included within amounts provided for annual contributions in 1990 was funding for the Nehemiah Housing Opportunity Grants Program. The program was authorized to encourage homeownership, area revitalization, and employment opportunities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,810,000,000 for annual contributions for assisted housing for fiscal year 1991. This amount is $3,010,644,569 above the enacted 1990 level, $3,457,682,700 above the budget request, and $815,086,000 below the House recommendation.

The Committee concurs with the House in largely retaining the structure for the "Annual contributions" account as was used in 1990. As a result, section 8 contract renewals and the section 8 Moderate Rehabilitation Single-Room Occupancy Program each have separate accounts. The budget proposed includes both items in the "Annual contributions" account. In addition, public housing modernization funds have been included in the "Annual contributions" account, instead of the separate account proposed by the budget. Finally, public housing drug elimination grants have been included in a separate account as proposed in the budget request, but unlike the 1990 request, which included funds for this activity in the "Annual contributions" account.

The Committee has denied the two proposed transfers of funds from the "Rental housing assistance" account ($70,000,000) and the rehabilitation loan fund ($87,000,000) into the "Annual contributions" account. These transfers would have the effect of crippling two of the Department's housing programs: flexible subsidy and section 312 loans.

The Committee has also denied the transfer of $20,053,000 to the "Research and technology" account for increased program evaluation and monitoring. Funds for these activities are addressed directly in the accounts for research and technology, salaries and expenses, and the Office of the Inspector General.

Incremental units.—The Committee's recommendation for housing programs includes assistance for 905,232 units, including 125,426 incremental units. This is 4,759 more incremental units than provided for by the House, 43,377 incremental above the budget request, and 46,403 incremental units above the 1990 appropriation.

In recent years, the budget for assisted housing programs has focused attention on the distinction between so-called incremental and nonincremental units which are supported using newly appropriated funds. Incremental units are defined as those which result in a net addition to the total inventory of federally subsidized rental housing. As such, incremental unit counts provide a rough estimate of total, direct federally subsidized rental housing assistance available to serve the Nation's low-income renter population. Nonincremental units, on the other hand, do not add to the stock of assisted housing. These units represent a replacement in which the new funding is presumably being used to substitute for some other form of rental subsidy on the assisted unit.

Consistent with last year's Committee report, the Committee has calculated its estimate of incremental units based on changes to assisted housing programs made by the Housing and Community Development Act of 1987, and the Stewart B. McKinney Homeless Assistance Amendments Act of 1988. These two statutes provide for adjustments that mean that an increasing portion of loan management and property disposition assistance can be devoted to formerly unsubsidized projects. These changes were made with the intent of preserving and increasing the rental stock available to serve low-income housing needs.

Needs survey.—The Committee directs the Department to resume the annual compilation of a worst case housing needs survey of the United States. This report, which was first begun in the early 1980's, estimates the number of families and individuals whose incomes fall 50 percent below an area's median income, who either pay 50 percent or more of their monthly income for rent, or who live in substandard housing. The Committee expects the next report to be submitted on or before July 1, 1991.

In addition to this report, the Committee strongly urges the Department to develop a strategic plan that outlines how the Federal Government, despite limited fiscal resources, can help to eliminate or substantially reduce the number of families and individuals who fall into this worst case needs category.

Public housing major reconstruction/new development.—The Committee recommends an appropriation of $733,760,000 for a total of 10,000 units. This amount is $290,606,859 above the 1990 enacted level, $183,440,000 above the House level, and $733,760,000 above the budget request. The Committee strongly believes that with over 800,000 families on public housing waiting lists across the Nation, that funds for this program are essential to address housing needs of low-income families.

Indian housing.—The Committee recommends $233,361,000 for 3,000 new units of Indian housing. This amount is $103,262,964 above the 1990 enacted level, $38,893,000 above the House level, and $233,361,000 above the budget request. While this level reflects an increase of almost 72 percent in funds over last year's level, it falls far short of the 90,000 housing unit need currently faced by native Americans throughout the United States.

Public housing modernization.—The Committee recommends an appropriation of $2,750,000,000 for public housing modernization. This level is $776,945,036 above the 1990 level, $902,508,000 above the budget request, and $50,000,000 above the House level. This increase over 1990, however, pales in comparison to the modernization need identified by HUD's most recent surveys, which suggest the current backlog exceeds $22,000,000,000, a figure which does not include the costs of lead-based paint abatement.

Lead-based paint abatement.—The funds provided for public housing modernization include funds for lead paint abatement in public housing projects.

(a) Lead-abatement policy.—The Committee is deeply troubled by the Department's failure to fully implement, or devote sufficient resources to, the Lead-Based Paint Poisoning Prevention Act. That act, initially enacted in 1971, calls for the abatement of lead in HUD-assisted properties. Aside from HUD's mortgage insured housing portfolio, the Department has a regulatory role over more than 4 million subsidized properties. Of the 1.8 million units that are public housing, more than 800,000 were built before 1978 and could contain harmful levels of lead paint. Undoubtedly, hundreds of thousands of privately owned, federally assisted, housing units pose similar threats to public health. Recent studies suggest that

high levels of lead in the blood, with serious, adverse, and potentially permanent health effects, could affect one in every six children in the United States under the age of 7—as many as 3 million children. As a result, the Committee believes that the serious risk posed by lead poisoning in HUD-assisted properties should be made one of the Department's highest priorities.

Unfortunately, the Department has no known policy, priorities, goals, or cost estimates for making these Government-supported dwellings free of danger to children's health from lead paint poisoning. While only public housing is under a mandate to take action on abatement, the Department's efforts to move forward on this task have been unduly cumbersome and incomplete. The Department did issue guidelines on comprehensive lead paint testing and abatement earlier this year, which took effect on April 1, 1990. Yet the Department has not even distributed these guidelines to one-third of the Nation's 3,300 public and Indian housing authorities. In addition, the Department has provided no training to housing authority officials to implement these guidelines.

Consequently, the Committee directs the Secretary to submit to it by April 1, 1991, a comprehensive and detailed statement of the Department's goals for bringing about lead-safe HUD-subsidized housing: private, nonprofit, public, and HUD-owned. The statement should set forth: the date by which lead-safe status is to be achieved in all properties assisted or owned by HUD, particularly public housing properties; schedules showing numbers of properties and units to be abated by fiscal year, including an annual breakdown of abated properties by publicly and privately owned housing; the estimated costs of doing so, and appropriations needed to meet this proposed schedule, for fiscal years 1992 through 1995; priorities for dwellings to be abated, problems to be overcome in achieving these goals, and the methods proposed to enable private landlords of federally assisted units to accomplish lead-abatement. As part of this process, the Secretary should advise the Committee as to whether or not private and nonprofit owners may apply for the use of the section 312 rehabilitation loans, rental rehabilitation grants, or section 8 moderate rehabilitation grants, to pay for lead-paint abatement.

The Committee directs the Secretary to undertake immediate steps to distribute copies of its lead paint guidelines to all effected housing authorities. In addition, the Department should initiate training activities with housing authority directors as soon as possible, with a goal of training all authority officials responsible for this activity by the end of fiscal year 1991. The Department is to submit a report to the Committee on a monthly basis about its progress toward meeting these distribution and training requirements until these requirements have been met. The first such report should be submitted on or before January 15, 1991.

(b) CIAP deadlines and HUD lead-abatement guidelines.—The Department has long had deadlines for a PHA's use of Comprehensive Improvement Assistance Program (CIAP or modernization) funds and the Secretary should be commended for making timely commitment or recapture of these funds a high priority. However, this policy needs revision immediately in light of the current need of public housing authorities for time to undertake the complex

and often lengthy process of reorienting their comprehensive modernization programs so they comply with the Department's lead-abatement guidelines.

Additional time is necessary to cope with unavoidable delays due to: the need for testing, design abatement work, prepare contract specifications and changes, engage needed expertise, and observe the requirement of public bidding processes. These delays are compounded by the Department's failure to distribute copies of the guidelines, or to issue any lead-abatement policy directives of substance, or promulgate regulations reflecting changes by the McKinney Homeless Assistance Amendments Act. The Department's present commit or recapture posture, however appropriate under a traditional public housing modernization program, now makes PHA's choose between losing CIAP funds or proceeding in disregard of HUD's own guidelines for proper lead-paint abatement. To assure safe and effective abatement, the Department is directed to issue revised instructions on the permissible time periods for the commitment of CIAP funds which reflect that the delays caused by issuing the lead-paint guidelines and HUD's inaction on the lead-abatement issue to date. These revisions should be issued no later than November 1, 1990.

(c) Abatement demonstration.—The Committee is very disturbed that the demonstration of lead-paint abatement in public housing has barely started, almost 2 years after it was called for in the McKinney Homeless Assistance Amendments Act of 1988. To compound this problem, the Committee is advised that PHA's that volunteered for the demonstration have kept units empty for months waiting for HUD to proceed. Nor is the Committee aware of any results from the lead-paint abatement demonstration in HUD-held FHA housing called for in the Housing and Community Development Act of 1987, which was enacted over 3½ years ago. As a result, the Committee directs the Secretary to submit to it by December 1, 1990, a detailed accounting of the Department's work on these demonstrations, including costs, number and qualifications of the staff involved, the difficulties encountered, and the titles of the senior HUD persons in charge of them.

In addition, the Committee has included bill language which extends the availability of funds appropriated last year to indemnify those PHA's who participate in the public housing demonstration from October 1, 1992, to October 1, 1998. The Committee has taken this action because the Department has informed the three PHA's who have volunteered to participate in the demonstration that it would indemnify claims until October 1, 1992.

The Committee has taken this step since it is not likely that all claims will be made during the time that abatement is taking place. While lead poisoning can be easily detected, and soon after it is ingested, it does require blood testing, something that is not commonly done, particularly with an unsuspecting population. By extending the date for which the indemnification fund will pay claims, the three PHA's will have added protection from claims filed after actual abatement is completed, particularly in light of the fact that scientific knowledge is rapidly developing in the lead-abatement area. Since these three housing authorities were requested to volunteer for this demonstration, and have been required to invest a significant amount of their own funds in this effort, the Committee believes that the Federal Government should not inadvertently punish them for their willingness to participate in this activity.

The Committee is also aware that HUD has placed a limit for which each of the three PHA's participating in the demonstration may seek indemnification, equal approximately to one-third of the $1,000,000 provided in last year's bill. The Committee believes HUD should indicate greater flexibility to suggest that if funds are not needed for indemnification for one or more PHA's, they will be available for the other demonstration participants.

(d) HUD administrative responsibility.—The Committee remains concerned about the dispersed nature of responsibilities for lead-paint abatement activities within HUD. The Department's interim guidelines were issued only after statutory language included by the Committees on Appropriations in last year's appropriations act. Despite this expression of serious concern about the lead-abatement issue, and the growing body of research suggesting lead poisoning is a major health threat to children, the Department's 1991 budget submission made no mention of the lead-abatement issue or the Secretary's responsibilities for addressing this problem under a host of relevant statutes.

The Committee believes that the absence of a lead-abatement strategy has suffered due to a number of factors. The first is due to the responsibility for its execution being divided between the Offices of Public and Indian Housing, and Policy Development and Research. In addition, direct responsibility for implementation of HUD's work in this area in each of these offices has been delegated to relatively low levels of authority within the Department. Finally, some of the lack of response can be attributed to the Department's failure to develop the necessary level of staff expertise in lead paint matters.

Consequently, the Committee directs the Secretary to place the responsibility for the Department's lead-based paint abatement efforts, including any demonstrations, solely under the direction and control of the Assistant Secretary for Public and Indian Housing [PIH]. In addition, the Committee recommends that the Department take such steps as are necessary to acquire the relevant expertise to enable the Assistant Secretary for PIH to carry out HUD's responsibilities under the Lead-Based Paint Poisoning Prevention Act and other pertinent statutes. This Committee recommendation is necessary, given the Department's long history of failing to properly address the mandates given to it in the original 1971 statute, including by the Federal courts, as demonstrated in the case *Ashton* v. *Pierce*.

(e) Comprehensive testing.—The McKinney Homeless Assistance Amendments Act requires that housing authorities comprehensively test their pre-1978 family projects for harmful lead-paint conditions so that they can set priorities for abatement efforts and supportive funding applications. The act also provides that the PHA's can receive CIAP funds for the costs of such testing and for doing the necessary risk assessment.

(f) Eligible lead-abatement costs.—The Committee wishes to make plain that eligible costs for PHA's under CIAP include the costs of

comprehensive testing, antilead interim containment efforts, and risk assessment fees incident to applications for insurance coverage for the PHA's, their designers and/or contractors relative to lead abatement or maintenance risks. These funds should be provided independent of an approved CIAP application.

(g) Interim containment strategy.—The Committee is concerned that the Department has failed to consider the development of interim containment guidelines for lead-paint abatement, despite a recommendation in the McKinney Homeless Assistance Amendment Act of 1988 to do so. This action was encouraged due to the belief that limits on the availability of public housing modernization funds, as well as the absence of a funding strategy for private and nonprofit housing, would effectively delay the complete lead abatement of all assisted housing units for many years. As a result, it seems clear that there is a compelling need for the immediate implementation of less costly methods of reducing or containing the risks from lead-paint poisoning in the interim period before full-scale abatement can be accomplished. Consequently, the Committee strongly encourages the Department to develop such interim measures as soon as possible. The Department should work with the working group of public health and public housing representatives that assisted the Department with its lead-based paint interim guidelines.

Elderly and handicapped housing.—The Committee recommends an appropriation of $1,309,499,000 for elderly and handicapped housing programs. This amount is $83,516,231 less than the 1990 appropriation level, $141,063,000 less than the House allowance, and $366,744,900 more than the budget request. Because the Committee has proposed to restructure this program in accordance with the pending Senate-passed housing bill, the Committee's recommendation proposes a 1991 program of 12,000 incremental units for elderly and handicapped persons, each with a 20-year term. This program level is 3,771 units above last year, 3,965 units above the House level, and 5,033 units more than the budget request.

The fiscal year 1991 appropriation for housing for the elderly and persons with disabilities is based upon the provisions in the National Affordable Housing Act. Sections 601 and 611 of this act change the nature of this program from construction loans and supporting section 8 subsidy to capital advances and project rental assistance.

The Senate-passed National Affordable Housing Act (S. 566) contains provisions for a new program for the elderly and for persons with disabilities to replace the existing section 202 program. The new program differs from the section 202 program in many respects.

The old 202 program, authorized by the 1959 Housing and Community Development Act as amended, provides loans for construction of housing for the elderly and disabled. These loans are repaid over a 40-year term with section 8 subsidy.

The new program moves to a capital advance to finance construction. In some respects this advance resembles a grant in that it does not have to be repaid as long as the housing continues to be used for low-income elderly and persons with disabilities.

The new program also makes use of project rental assistance, which, along with tenant income, will be used to cover operating costs such as maintenance, repairs, and staff for project management, as well as congregate services such as meals and health care. The old 202 program met these costs through section 8 subsidy which covered debt service and operating expenses through the establishment of a fair market rent. The new program does not make use of a fair market rent.

The old 202 program did not support the construction of congregate facilities. The new program provides capital advances that include design characteristics such as congregate dining and health-related services.

The Senate-passed bill (S. 566) also contains a provision known as project retrofit which covers such items as handrails and ramps, to enable the frail elderly to continue to live independently in assisted housing as long as possible.

For fiscal year 1991, the Committee recommends $586,300,000 of capital advances to support 10,000 units of housing for the elderly. This amount includes $60,000,000 for amendments to support those units in the pipeline that require additional funding under the old program or that may wish to convert to the new program. The Committee also recommends $117,580,000 in capital advances to support 2,000 units of housing for persons with disabilities. Of this amount, $15,000,000 is to be used for amendments. Amendment funding for capital advances is available under either sections 601 or 611 or under section 202, at the owner's election.

Within these amounts for housing for the elderly, to the extent that funds are not needed for new units, up to $50,000,000 may be made available to retrofit existing units in such a way as to support independent living by the frail elderly. Also, within these amounts $5,000,000 may be made available for technical assistance to applicants, particularly minorities, who submit applications for housing for persons with disabilities.

These capital advances are to be used to support housing with special design features such as congregate space for supportive services. The development of these units is subject to development cost limitations that include construction of these features.

The Committee recommends $449,619,000 for project rental assistance to support 10,000 units of housing for the elderly, of which $186,000,000 is for amendments (including amendments under section 8), and $156,000,000 for project rental assistance to support 2,000 units of housing for persons with disabilities, of which $52,000,000 is for amendments (including operating subsidies under the prior program). Amendment funds are available under either sections 601 or 611 or under the section 202 program, at the owner's election. Project rental assistance funds are to be used to cover operating expenses that are not covered by tenant rents. These include supportive services such as dining halls, community rooms, workshops, adult day care facilities, or other health facilities or essential service facilities.

The Committee concurs with the House in including bill language that would set aside 500 of the handicapped units provided in the bill for victims of acquired immune deficiency syndrome [AIDS]. The Committee has taken this step due to the increasing need for affordable housing for AIDS' victims in certain portions of the country, and the Department's unwillingness to respond in a timely fashion to this need, despite the Committee's language on this subject in last year's conference report.

Finally, the Committee is deeply concerned about the Department's ability to eliminate the existing backlog of approved 202 projects. As of the end of July, almost 29,000 units of housing, in nearly 900 different projects, remained in the Department's 202 pipeline. The Committee believes that this level of backlog demonstrates the need for the Department to take more aggressive steps to expedite the construction of badly needed, and previously approved, housing projects for the handicapped and the elderly. As a result, the Committee directs the Secretary to report to the Committee on a bimonthly basis about the number of approved 202 or elderly/handicapped projects that are in the pipeline, until that number is below 1,000 units. The first such report should be submitted by January 1, 1991.

Section 8 vouchers.—The Committee recommends $1,098,516,800 for the Section 8 Voucher Program. This amount is $271,708,200 less than the House allowance, $466,227,330 less than the budget request, but $340,583,067 above the 1990 appropriation. This will support assistance for 36,575 units, outlined as follows: 34,575 incremental units; 1,000 for public housing relocation activities; and 1,000 for tenants in section 8 housing whose owners opt out of the section 8 program.

Property disposition set-aside.—The Committee recommends $483,125,000 for 5,000 property disposition units, each with a 15-year contract term. This amount is $563,125,000 less than the House allowance, $153,735,000 above the budget request, and $253,504,603 below the 1990 appropriation. These funds are used to provide section 8 assistance in connection with the sale of HUD-owned or HUD-held multifamily housing.

Section 8 certificates.—The Committee recommends $1,657,807,200 to fund 52,388 section 8 certificate units. This amount is $109,317,800 less than the House level, $1,290,144,630 above the budget request and $545,406,018 above the 1990 appropriation. Funds are provided as follows: 49,888 units of incremental assistance; 2,000 units for the tenants of disposed or demolished public housing; and 500 15-year certificates for the replacement of public housing units which are either demolished or disposed.

Preservation/prepayment.—The Committee recommends $440,600,000 for 16,500 section 8 loan management set-asides to address the prepayment issue. This amount is the same as the House level, $330,450,000 above the budget request, and $301,675,633 above the 1990 appropriation. Loan management subsidies are expected to be the principal subsidy to address this pressing matter. The Committee recommendation allocates funds as follows: 13,200 units for incremental assistance and 3,300 for nonincremental assistance.

Prepayment relates to the need to preserve for low-income use, units whose owners received a HUD-insured mortgage under sections 221(d)(3) and 236 of the National Housing Act in exchange for making their unit available exclusively to low-income families. Under their original agreement with HUD, many of these owners will have the opportunity to prepay the balance of their mortgage to HUD after a 20-year period and terminate the low-income use requirement for their unit. The Committee believes that massive prepayment will result in a substantial displacement of low-income tenants, many of them elderly, in high-cost urban areas. This will result in exacerbating the housing crisis that already exists in many of these areas. As a result, the Committee fully expects pending authorizing legislation to provide HUD with the legislative framework that will enable them to use the loan management subsidies provided by the Committee to assist the owners of these 221(d)(3) and 236 units and avoid large numbers of prepayments.

The Committee notes, however, that widespread confusion continues to exist about the size and scope of the prepayment problem, and even greater confusion exists on the cost estimates of potential solutions that would properly address it. The National Low-Income Housing Preservation Commission estimated in 1988 that as many as 243,000 low-income units were at risk due to prepayment. The Commission estimated that the 15-year cost to avoid prepayment was about $15,000,000,000.

HUD, however, has disputed these estimates, suggesting the number of units likely to prepay is only approximately 155,000. In addition, the Department has no 15-year cost estimates comparable to the Commission. As a result, the Committee directs the Department to submit a report by March 17, 1991, that provides a comprehensive assessment of the number, and cost of preserving for low-income use, of potential and likely 221(d)(3) and 236 units whose owners are eligible to prepay for fiscal years 1992–96. At a minimum, this analysis should include a comparison to the cost and unit estimates prepared by the National Low-Income Housing Preservation Commission, and a detailed assessment of how HUD's 5-year budget plan compares to the Department's and the Commission's prepayment estimates.

Amendments.—The Committee recommends $1,810,442,000 for various forms of amendment activity. This amount is $73,000,000 less than the House allowance, the same amount as the budget request, and $475,850,549 more than the 1990 appropriation. Amendments represent funds needed for increases to existing annual contributions and housing assistance payment contracts. Funds are provided in order to cover rising costs of new construction and rehabilitation, rent increases on existing units, replacing depleted project reserves, and the requirements for rent increases arising from the *Rainier View* court decision.

The Committee continues to be concerned about the lack of a coordinated strategy by the Department on how best to deal with the growing need for section 8 amendment funding. Since fiscal year 1987, the need for section 8 amendments, exclusive of the need for section 202 amendments, has grown by 128 percent. A recently completed HUD inspector general report suggested that the nationwide need for amendments in future years would exceed $9,000,000,000, an amount that would have to be paid in addition to any funds for section 8 renewals. While the Committee asked for the Department's analysis of this problem by last March, as was directed by last year's Committee report, the Department's lack of available data on amendment activities prevented the completion of that report.

The Committee fully expects the Department to present a comprehensive strategy for addressing the issue of section 8 amendments as requested in the House report. As part of that effort, the Committee anticipates the Department will provide a full 5-year projection of the cost of amendment needs, and a cost estimate to fully fund all shortfalls in any existing annual contributions and housing assistance payment contracts. Since this will provide the Department with additional time to gather the proper data for this effort, the Committee fully expects the Department to meet this deadline.

Nehemiah grants.—The Committee recommends $35,000,000 for Nehemiah grants, $10,000,000 above the House estimate, $35,000,000 above the budget request, and $10,700,431 above the 1990 appropriation.

Data management.—The Committee commends the Department for beginning efforts to overhaul and reform the data collection and management process for assisted housing activities. The Committee remains concerned, however, that this process is not moving expeditiously. As a result, the Committee urges the Department to take whatever additional steps are necessary to complete the overhaul of this process, including augmenting this activity with additional staff years. The Committee expects that the Department will address the actions they are taking in this area, the number of staff years dedicated to this work, and how those efforts differ from activities and staff-year levels in 1990 by January 1, 1991. In addition, the Department should provide in the operating plan a specific timetable for completion of its reform of assisted housing data management activities.

Special purpose grants.—The Committee recommends $50,000,000 and bill language for special purpose grants. The $50,000,000 is to be distributed as follows:

+$18,910,000 for the conversion of 464 units of public housing to resident homeownership at the Kenilworth-Parkside housing project in Washington, DC.

+$5,900,000 for the conversion of 200 units of public housing to resident homeownership at the Carr Square Village project in St. Louis, MO.

+$1,500,000 for low-income housing and economic development, to be applied in equal amounts to the Highpoint neighborhood in Tacoma, WA, and the Central Area neighborhood in Seattle, WA.

+$1,500,000 for a senior citizen employment and social services center connected to the Krueger Mansion in Newark, NJ.

+$500,000 for the Success Through Academic and Recreational Support [STARS] Program run by the Fort Myers, FL, Public Housing Authority for the protection of at-risk children in public housing.

+$2,500,000 for the removal of asbestos and site clearing activities at the Rath Packing Plant in Waterloo, IA.

+$500,000 for drug elimination activities at the Vernon Manor and Morning Star housing projects in Tulsa, OK.

+$1,200,000 for Hawaiian homeland infrastructure development.

+$500,000 for development of a National Center for the Revitalization of Central Cities at the University of New Orleans in New Orleans, LA.

+$200,000 for the completion of the paralyzed veterans center in Omaha, NE.

+$2,000,000 for completing the demolition of the old Morrell site in Ottumwa, IA.

+$500,000 to help low-income tenants of the Highgate Apartments in Barre, VT, avoid the loss of their units for low-income housing.

+$50,000 for drug elimination activities at the Newport Apartments project in Mount Clements, MI.

+$250,000 for the construction of a youth and community facility at New Haven, WV.

+$2,000,000 for site work connected with economic redevelopment of Sioux City, IA.

+$200,000 for the Marshall County Senior Citizens Center in Marshall County, TN, to convert an existing school building for use to provide citizen services.

+$1,300,000 to assist in job retention for agricultural workers at two Hamakua coast sugarcane mills in Hawaii that are suffering continued economic hardship.

+$2,000,000 for the Teen Education, Achievement and Management Program in New Orleans, LA, that targets teenage parents in public housing.

+$500,000 to the county of Hawaii for an environmental impact statement for the development of a water resource system for the community of Kohala.

+$500,000 for infrastructure development in West Valley, UT.

+$3,150,000 for neighborhood economic improvement for the city of New Orleans.

+$1,000,000 for a rural, community-based health insurance program in two communities in the Mississippi River Delta region of Arkansas.

+$700,000 for infrastructure improvements for the town of Clinton, TN.

+$500,000 for housing rehabilitation in Ogden, UT.

+$1,110,000 for the expansion of the Charles Drew Health Center in Omaha, NE, to provide additional space for health facilities and an early childhood program.

+$500,000 for a Utah revolving loan fund pilot program in the cities of Provo and Orem, UT.

+$250,000 for elderly housing activities in Salt Lake City, UT.

+$250,000 for a rural, community-based health care project in Nebraska.

+$30,000 for a water system study in Ford Heights, IL.

The following table sets forth the details of the Committee's recommendations:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1991—GROSS RESERVATIONS

	Units	Cost	Term	Budget authority
Recaptures	NA	NA	NA	$236,375,000
Rescission of recaptures	NA	NA	NA	(236,375,000)
New authority	NA	NA	NA	10,810,000,000
Total, available	NA	NA	NA	10,810,000,000
Public/Indian housing:				
Public housing	[1] 10,000	$73,376	NA	733,760,000
Indian housing	[1] 3,000	77,787	NA	233,361,000
Amendments	49,125	NA	NA	160,000,000
Lease adjustments	23,000	NA	NA	25,100,000
Modernization	NA	NA	NA	2,750,000,000
Subtotal, public/Indian	85,125			3,902,221,000
Section 8 and other programs:				
Elderly:				
Capital grants	[2] (10,000)	52,630	NA	526,300,000
Rental assistance	[1] 10,000	1,644	20	263,619,000
Amendments	14,224	NA	NA	246,000,000
Handicapped:				
Capital grants	[2] (2,000)	51,290	NA	102,580,000
Rental assistance	[1] 2,000	2,600	20	104,000,000
Amendments	3,977	NA	NA	67,000,000
Subtotal, elderly/handicapped	30,201			1,309,499,000
Vouchers:				
Incremental	[1] 34,575	5,831	5	1,040,266,800
Public housing relocation	1,000	5,825	5	29,125,000
Opt outs	1,000	5,825	5	29,125,000
Subtotal, vouchers	36,575			1,098,516,800
Property disposition	4,618	6,975	15	483,125,000
Certificates:				
Incremental certificates	[1] 49,888	6,189	5	1,543,794,700
Public housing demolition/disposition	2,000	6,515	5	65,150,000
Replacement certificates	500	6,515	15	48,862,500
Subtotal, certificates	52,388			1,657,807,200
Moderate rehabilitation: Single-room occupancy	[1] [2] (2,763)	3,799	10	(105,000,000)
Loan management:				
Incremental	[1] 13,200	5,341	5	352,480,000
Nonincremental	3,300	5,341	5	88,120,000
Subtotal, loan management	16,500			440,600,000
Section 23 conversions	1,300	3,506	5	22,789,000
Contract renewals	[2] (294,495)	NA	NA	(7,734,985,400)
Amendments:				
Existing housing	232,789	NA	5	768,000,000
Rainer view requirements	22,000	NA	7	70,000,000
Project reserves	124,450	NA	7	889,942,000
Moderate rehab	1,797	NA	10	62,000,000
Property disposition	231	NA	15	20,500,000
Subtotal, amendments	381,267			1,810,442,000
Subtotal, section 8 and other	522,849	NA	NA	6,842,779,000
Total, section 8, 202(h) and public and Indian housing	607,974	NA	NA	10,725,000,000

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FISCAL YEAR 1991—GROSS RESERVATIONS—Continued

	Units	Cost	Term	Budget authority
Nehemiah Grants	NA	NA	NA	35,000,000
Special purpose grants	NA	NA	NA	50,000,000
Total, all programs	608,356			10,810,000,000
Incremental units:				
Annual contribution programs	122,663			
Homeless units	2,763			
Subtotal, incremental	125,426			
Nonincremental:				
Annual contributions programs	485,311			
Contract renewals	294,495			
Subtotal, nonincremental	779,806			
Total, all units	905,232			

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[1] Represents incremental units.

[2] Numbers in brackets represent unit/amounts funded in other accounts.

SECTION 8 CONTRACT RENEWALS

Appropriations, 1990	$1,074,491,510
Budget estimate, 1991	7,734,985,400
House allowance	7,734,985,400
Committee recommendation	7,734,985,400

PROGRAM DESCRIPTION

This program provides continued funding for units affected by contract expirations. These contracts are loan management contracts, certificates, and vouchers. The budget proposed to renew all these contracts using a combination of vouchers, certificates, and loan management units, as appropriate. The HUD proposal called for funding renewals out of funds to be made available under the "Annual contributions" account—and not from a separate renewal account. To ensure that there would be no interruption in subsidy payments, the funding estimates include some of those expirations occurring during the early part of subsequent years.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $7,734,985,400 for the renewal of expiring section 8 subsidy contracts, funded in a separate account. This level is the same as the House allowance and the budget request, and is $6,660,493,890 above the 1990 appropriation. The Committee has included bill language, identical to that included in last year's appropriations act, that requires all renewals to be for a period that is not less than 5 years in length. The Committee has also included language that permits the Department to renew units for less than a 5-year period in the event of a sequestration and only to avoid tenant displacement.

The Committee has deleted bill language, proposed by the House, that would permit a transfer of up to $300,000,000 in funds from the annual contributions account to meet any shortfalls in the estimates provided by the Department for section 8 renewals. The Committee remains concerned about inaccurate data forecasting that has in the past been used to project section 8 renewal needs. In fiscal year 1990, the Department's budget estimates for section 8 renewals underestimated the number of units which needed to be renewed by about 80 percent. As a result, the Committee was forced to provide only enough funds to renew section 8 contracts for a 5-year period, instead of the customary 15-year period. In deleting the transfer language proposed by the House, the Committee wishes to make clear that it fully expects the Department to request a supplemental appropriation to meet any shortfall in the section 8 contract renewal program.

The Committee has included bill language, proposed by the House, that will allow public housing authorities who administer section 8 contracts to avoid creating duplicate accounting systems because of the separate appropriations account provided for section 8 renewals.

The Committee notes that over the next 5 years, fiscal years 1991-95, using current HUD estimates, the Department will be required to provide over $32,000,000,000 for the renewal of nearly 1,100,000 section 8 units. Because the number of units which requires renewal fluctuates significantly from year to year using current estimates, the Committee expects the Department to develop a plan, to be submitted concurrently with the 1992 budget, which would provide a more even level of section renewals requiring assistance annually. Such a plan should guarantee that no renewal is made for a term of less than 5 years.

The following table outlines in detail the Committee's recommendation:

FISCAL YEAR 1991 REFUNDING OF CONTRACT EXPIRATIONS

	Units	Per unit cost	Term	Budget authority
Contract renewals:				
Loan management (October/November) [1]	123,522	5,024	5	$3,102,872,600
Certificates (October) [1]	136,490	5,355	5	3,654,519,750
Vouchers (October) [1]	34,483	5,670	5	977,593,050
Total	294,495			7,734,985,400

[1] Months refer to additional months in fiscal 1992 that need renewal funding in fiscal 1991.

RENTAL REHABILITATION GRANTS

Appropriations, 1990	$127,985,000
Budget estimate, 1991	70,000,000
House allowance	135,000,000
Committee recommendation	70,000,000

PROGRAM DESCRIPTION

The rental rehabilitation grants program is designed to increase the supply of standard rental housing available to lower income families in areas experiencing a shortage of decent rental housing units. The program supports the section 8 voucher program by allowing voucher holders increased rental opportunities.

Rehabilitation subsidies are provided through a one-time, front-end mechanism such as a grant, a deferred payment loan, or a below market rate interest loan. The program makes it feasible to rehabilitate rental properties for low-income families by providing the difference in what the owner can afford to borrow from a private lending institution and what it actually takes to rehabilitate the property. The Department proposes legislation to allow bonus allocations of rental rehabilitation funds to communities with designated housing opportunity zones and approved barrier removal plans.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $70,000,000 for rental rehabilitation grants. This amount is $65,000,000 less than the House amount, the same amount as the budget request, and $57,985,000 below the 1990 appropriation. With an anticipated $20,000,000 in recaptures from prior year obligations, however, the Committee expects HUD to provide funds for a $90,000,000 rental rehabilitation grant program. Of the funds made available, $1,500,000 is for technical assistance.

The Committee has concurred with the President's request in proposing a reduction in this program due to budgetary constraints. The Committee notes that according to HUD's latest report on the program, the proportion of very-low income households in newly completed rental rehabilitation projects who receive certificates or vouchers has declined from 77 percent in fiscal year 1986 to only 67 percent in fiscal year 1988. The Committee believes that housing funds, particularly in an era of restrained fiscal resources, are more properly targeted to very-low income families.

The Committee concurs with the House in denying the budget request's proposed transfer of funds from this account to the research and technology account for program evaluation and monitoring. This request will be addressed specifically in the accounts for research and technology, salaries and expenses, and the Office of Inspector General.

RENTAL HOUSING ASSISTANCE PROGRAM

(RESCISSION)

Appropriations, 1990	–$48,000,000
Budget estimate, 1991	–46,000,000
House allowance	–46,000,000
Committee recommendation	–46,000,000

PROGRAM DESCRIPTION

Under the Rental Housing Assistance Program authorized by section 236 of the National Housing Act, subsidies provided by HUD on behalf of project owners, reduce mortgage interest to as low as 1 percent. Some very-low-income section 236 project tenants receive additional rental subsidies under the Rental Assistance Payments Program [RAP].

The $2,000,000 proposed for rescission represents a portion of the contract authority recaptured as a result of termination of section 236 contracts.

An estimated $6,582,000 of contract authority—representing unobligated balances carried forward into the year and amounts recaptured during the year—is to be used in 1991 for State agency related activities. The 1991 budget also proposed to transfer excess rental collections from the rental housing assistance fund to the "Annual contributions for assisted housing" account. Currently, such funds are transferred to the flexible subsidy fund, for use under that program.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the proposed rescission of up to $2,000,000 in annual contract authority as proposed by the administration. This translates into $46,000,000 in budget authority. It is estimated that this amount could be deobligated during 1990 as a result of insurance terminations due to foreclosure or assignment.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

(LIMITATION ON LOANS)

Limitation, 1990	$472,664,000
Budget estimate, 1991	282,543,000
House allowance	491,570,000
Committee recommendation	

PROGRAM DESCRIPTION

The section 202 program provides direct Federal loans to nonprofit organizations which sponsor the construction and management of housing projects to serve elderly or handicapped families and individuals. The housing projects are designed to provide an assured range of necessary services for the occupants, including health, continuing education, welfare, recreation, counseling, referral, transportation to social services, and means to encourage and assist occupants to use the services and facilities made available. Projects developed under section 202 for the elderly also carry a section 8 subsidy, which enables the rents of lower-income elderly or handicapped tenants to be reduced to a maximum of 30 percent of their income. Applications under the two programs are processed simultaneously.

Section 162 of the Housing and Community Development Act of 1987 established a separate source to provide rent subsidies under section 202(h) to support loans for handicapped projects. The section 202(h) funds replace section 8 funds for this purpose.

In 1990, Congress provided a loan limitation of $472,664,000 for the loan fund, of which $282,502,000 was in support of 5,593 units for the elderly, $103,162,000 in support of 2,096 units for the handicapped and $87,000,000 for amendments to prior-year contracts.

The HUD budget proposed a loan limitation of $282,543,000 for 1991. Under this limitation, 3,097 units of new construction could be provided for the elderly and 870 units for the handicapped. The budget also intended to make use of the existing inventory by proposing another 1,700 units for the elderly and 1,300 units for the handicapped under a leased housing program. These latter units would not require assistance under the section 202 loan fund but would be subsidized using funding requested under the "Annual contribution for assisted housing" account. Within the $282,543,000 limitation requested for the loan fund, $75,000,000 was for amendments to prior-year reservations.

COMMITTEE RECOMMENDATION

The Committee recommends no limitation on direct loans for the section 202 Elderly or Handicapped Loan Program due to the proposed restructuring of this Housing Program for fiscal year 1991 consistent with S. 566, the National Affordable Housing Act. Funds for this restructured program are included within the annual contributions for "Assisted housing" account. The Committee has included bill language in the "Direct loan" account, however, that will provide for a smooth transition from the old 202 program to the restructured Elderly and Handicapped Housing Program.

CONGREGATE SERVICES

Appropriations, 1990	$5,829,000
Budget estimate, 1991	
House allowance	7,000,000
Committee recommendation	12,000,000

PROGRAM DESCRIPTION

The congregate housing services demonstration was authorized by the Housing and Community Development Amendments of 1978 to provide 3- to 5-year contracts to fund services for eligible residents of public housing and section 202 housing for the elderly or handicapped projects. The Housing and Community Development Act of 1987 removed the program's demonstration status and includes a provision requiring a report on the program by September 30, 1990.

COMMITTEE RECOMMENDATION

The Committee recommends $12,000,000 for the congregate services program. This amount is $5,000,000 above the House allowance and is $6,171,000 above the fiscal year 1990 appropriation. No funds were requested for the program by the administration.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

Appropriations, 1990	$1,865,031,000
Budget estimate, 1991	1,825,731,000
House allowance	2,000,000,000
Committee recommendation	2,001,300,000

PROGRAM DESCRIPTION

Operating subsidies are provided to public housing agencies [PHA's] and Indian housing authorities [IHA's] to assist in financing the operation of PHA/IHA-owned dwellings in accordance with section 9 of the United States Housing Act of 1937, as amended. Operating subsidies are required to help maintain operating and maintenance services and provide for minimum operating reserves. The performance funding system [PFS] formula is used to calculate the level of operating subsidy to be provided to each PHA/IHA to operate its owned units.

The calculated subsidy amount under PFS is the difference between the estimate of operating costs minus an estimate of income from rents and other sources.

In 1990, the Congress provided $1,793,031,000 for operating subsidies (net of section 517 and sequestration reductions). Included within the total appropriated was $50,000,000 for drug prevention and control activities. In addition, as a result of the 1990 Dire Emergency Supplemental Appropriations Act (Public Law 101-302), another $72,000,000 was transferred to operating subsidies from the "Annual contributions for assisted housing" account.

The budget includes a request of $1,825,731,000 for operating subsidies in 1991. Funding for drug-related activities was requested under a separate appropriation in the amount of $150,000,000.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,001,300,000. This is $1,300,000 above the House allowance, $175,569,000 above the fiscal year 1991 budget estimate, and $136,269,000 above the 1990 appropriation level. The Committee believes that the increase it is recommending will more adequately address the needs of public housing authorities across the Nation.

The Committee is deeply concerned, however, about the Department's failure to provide adequate estimates which reflect full funding for the performance funding system [PFS] requirements for PHA's. The Committee notes that even with a supplemental appropriation of $72,000,000 in fiscal year 1990, HUD was forced to revise downward the PFS level which its operating subsidy would cover from 97 percent to only 95 percent. The Committee believes that low estimates of the operating subsidy need, in the long run, cost taxpayers more funds, because it requires PHA's to reduce services for items such as security and routine maintenance. These reductions, in turn, increase the demand for funds for things such as public housing modernization and drug elimination grants, programs which require additional Federal investment on an annual basis. Because of this historic underestimating of the needs of the PFS, the Committee expects the Department to reevaluate the means by which it computes this formula, and to consult with public housing authority officials to make the necessary adjustments in preparing its annual estimates. The Committee directs the Department to issue a report on its work on this area by December 1, 1991.

Recent events in the Persian Gulf have made the Committee aware of the likelihood of increased energy costs for PHA's in the coming months. As a result, the Committee expects the Department to take steps to encourage greater energy efficiency in public housing authorities, including, if necessary, to submit a request for a supplemental appropriation for operating subsidies. The Secretary, or his designee, should report to the Committee on the Department's efforts in this area by February 1, 1991.

The Committee is concerned over the failure of the Department to accurately estimate budgetary resources necessary to fully fund eligible operating subsidy levels of public and Indian housing authorities as computed through the long established performance funding system. Such erroneous estimates have required supplemental appropriations as well as end-of-year disbursements, in excess of PFS, when surplus funds were available.

While absolute accuracy cannot be expected in computing budgetary requirements in advance of actual conditions and performance activities which determine final subsidy levels, the Committee does not feel that the Department has responded in a timely and effective manner to address potential under or over payment conditions. The Committee therefore recommends a proviso which directs the Secretary to make full payment of eligible operating subsidy payments and to undertake necessary action to correct funding levels should a discrepancy become apparent during the budget year.

HOUSING COUNSELING ASSISTANCE

Appropriations, 1990	$3,446,000
Budget estimate, 1991	3,500,000
House allowance	5,000,000
Committee recommendation	8,000,000

PROGRAM DESCRIPTION

Section 106(a) of the Housing and Urban Development Act of 1968, as amended, authorizes the Department to contract with public and private agencies to provide counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership. The Housing and Community Development Act of 1987 amended the 1968 act by adding a new program—emergency homeownership counseling (section 106(c))—which permits counseling assistance to all homeowners. This program is scheduled to terminate in 1990. In 1989, the Department funded 285 counseling agencies providing services to 34,970 clients.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $8,000,000 for housing counseling assistance in fiscal year 1991. This is $3,000,000 above the House allowance, $4,500,000 above the 1991 budget request, and $4,554,000 above the 1990 appropriation level. The Committee has proposed this increase because it believes that housing counseling assistance is a cost-effective investment that reduces the Department's future liabilities due to defaults and foreclosures. The proposed transfer of funds to the "Research and technology" account for program evaluation and monitoring is denied. Funds for this purpose are included separately in the "Research and technology," "Salaries and expenses," and "Office of Inspector General" accounts.

FLEXIBLE SUBSIDY FUND

PROGRAM DESCRIPTION

The Secretary provides payments to owners of certain HUD-insured or HUD-held financially troubled multifamily subsidized housing projects in order to prevent potential losses to the FHA fund and preserve projects as a viable source of housing for low- and moderate-income tenants. Also eligible are non-HUD insured projects developed by State agencies and receiving subsidy assistance from HUD, projects assisted under section 23 of the U.S. Housing Act of 1937 and certain projects constructed under section 202 of the Housing Act of 1959.

The administration's 1991 budget proposes ending the practice of funding the program by means of transferring excess rental receipts from the rental housing assistance fund to the flexible subsidy fund. The excess receipts would be transferred to the "Annual contributions" account to partly offset the costs of providing an additional 10,000 vouchers for use in the HOPE grant homeownership initiative. During 1991 and 1992, unobligated balances remaining in the fund at the end of 1990 would be used to fund a program level of approximately $36,000,000 each year.

COMMITTEE RECOMMENDATION

The Committee has deleted language, proposed by the President's budget and included by the House, that would transfer $70,000,000 from the rental housing assistance fund to the annual contributions for "Assisted housing" account. In addition, the Committee has denied the administration's request to transfer any interest and other income from the flexible subsidy fund to the Treasury. The Committee has instead included language that would make funds available from collections and unobligated balances. This will provide approximately $73,000,000 in funds for flexible subsidy activities in fiscal year 1991. The Committee believes that continuing the flexible subsidy program is vital because it is one of the key programs that will be used to help preserve 221(d)(3) and 236 units for low-income use.

FEDERAL HOUSING ADMINISTRATION FUND

Appropriations, 1990	$350,093,000
Budget estimate, 1991	317,366,000
House allowance	317,366,000
Committee recommendation	317,366,000

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activities of about 40 HUD mortgage/loan insurance programs, including coinsurance, which are grouped into the mutual mortgage insurance fund, cooperative management housing insurance fund, general insurance fund, and the special risk insurance fund.

The appropriation reimburses the FHA fund for losses sustained by the special risk insurance fund and the general insurance fund. These losses are largely attributable to the sale of HUD-acquired properties and the liquidation of assigned mortgages. The general insurance fund provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, land development, group practice medical facilities, and nonprofit hospitals. The special risk insurance fund provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance; insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed; and insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

The administration proposes dividing the FHA fund into two accounts for presentation and accounting control purposes. One account would include the unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund. The second account would include the generally subsidized programs in the general risk insurance fund and the special risk insurance fund. Separate appropriation language and limitations are proposed for the two accounts.

The temporary mortgage assistance payments [TMAP] program is designed to prevent precipitous foreclosure by helping insured homeowners who have experienced temporary financial difficulties and cannot make their full monthly mortgage payments. Under the TMAP program, HUD makes monthly payments on behalf of single family mortgagors who are at least 3 months in arrears as a result of economic reversals which temporarily prevent the mortgagors from making up their delinquency.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the budget request of $317,366,000 to fund unrestored losses to the Federal Housing Administration fund. These losses were incurred in 1989 from the liquidation of assigned mortgages and the sale of HUD-owned properties.

The Committee has retained the existing account structure for FHA programs and has provided funds for FHA losses, FHA credit limits, and the limitation on temporary mortgage assistance payments, in a single account. This approach will guarantee that the Department has greater administrative flexibility in administering these programs than would the divided account structure proposed in the administration's budget request.

The Committee concurs with the House in providing a credit limit of $75,000,000,000 for FHA mortgage insurance in fiscal year 1991. In addition, language has been provided that limits temporary mortgage assistance payments in fiscal year 1991 to $151,125,000, the same as the budget request and the House allowance.

NONPROFIT SPONSOR ASSISTANCE

(LIMITATION ON LOANS)

Appropriations, 1990	$1,069,000
Budget estimate, 1991	530,000
House allowance	1,100,000
Committee recommendation	

PROGRAM DESCRIPTION

Nonprofit assistance loans as authorized by the Housing and Urban Development Act of 1968 provide nonprofit sponsors of section 202 elderly or handicapped housing with startup funds. The loans are interest free and are used to cover the planning costs associated with constructing or rehabilitating section 202 units. Startup costs include such items as preliminary surveys and market analyses, preliminary site engineering, architectural fees, and expenses related to site control.

Each loan can cover no more than 80 percent of total eligible startup costs up to a maximum of $50,000 for each project. The sponsor funds the remaining costs. These startup costs are subsequently repaid from the first construction cost advance under the section 202 direct loan program.

COMMITTEE RECOMMENDATION

The Committee recommends no limitation on loans for the Nonprofit Sponsor Assistance Program, consistent with the proposed restructuring of the elderly and handicapped housing programs. Funds for this activity are included in the "Annual contributions for assisted housing" account.

DRUG ELIMINATION GRANTS

Appropriations, 1990	(1)
Budget estimate, 1991	$150,000,000
House allowance	100,000,000
Committee recommendation	150,000,000

[1] $98,409,000 funded in the "Annual contributions for assisted housing" account.

PROGRAM DESCRIPTION

Drug elimination grants provide grants to public housing agencies and Indian housing authorities to eliminate drug-related crime in public and Indian housing by employing security personnel and investigators, providing physical project improvements to enhance security, supporting tenant patrols in cooperation with local law enforcement agencies, developing innovative programs to reduce drug use, and providing resident groups with funds to develop security and drug abuse prevention programs.

In prior years, funding for this account was provided under the Low-Rent Public Housing (operating subsidies) Program and the "Annual contributions for assisted housing" account. The Department is proposing to consolidate funding into a single account.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $150,000,000. This amount is $50,000,000 above the House level and the same as the budget request. The Committee has included bill language that delays the availability of these funds until September 1, 1991, in order to provide the Department with sufficient time to evaluate drug elimination projects funded with fiscal year 1989 and 1990 appropriations before making any new program awards. The Department should submit this report to the Committee on, or before, September 1, 1991. Included in the report should be the Department's best estimate, based upon a comprehensive survey of public and Indian housing authorities across the Nation, of the complete cost necessary to eliminate drugs from public housing, and the Department's strategy to eliminate drugs from all public housing authorities. Finally, the Committee fully expects that future drug elimination grants will target a substantial portion of appropriated funds to high intensity drug areas consistent with the President's National Drug Control Strategy.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES

(LIMITATION ON GUARANTEED LOANS)

Appropriations, 1990	$81,713,500,000
Budget estimate, 1991	80,000,000,000
House allowance	80,000,000,000
Committee recommendation	80,000,000,000

PROGRAM DESCRIPTION

The Government National Mortgage Association [GNMA], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust or pool composed of mortgages that are guaranteed by the Federal Housing Administration, the Farmers Home Administration, or the Department of Veterans Affairs. GNMA's guarantee of mortgage-backed securities is backed by the full faith and credit of the United States.

COMMITTEE RECOMMENDATION

The Committee recommends a GNMA limitation on loan guarantee commitments of $80,000,000,000 in fiscal year 1991. This is the same as the House allowance and the budget request.

HOMELESS ASSISTANCE

EMERGENCY SHELTER GRANTS

Appropriations, 1990	$73,164,000
Budget estimate, 1991	71,285,000
House allowance	75,000,000
Committee recommendation	73,164,000

PROGRAM DESCRIPTION

The Emergency Shelter Grants Program is authorized by the Homeless Housing Act of 1986 and the Stewart B. McKinney Homeless Assistance Act, as amended. The program is designed to assist communities in providing temporary emergency shelter for the homeless. Grants may be used to renovate, rehabilitate, or convert buildings to be used as shelters. They may also be used to operate emergency shelters and provide essential social services. Grantees are required to provide matching contributions to participate in the program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $73,164,000. This is $1,879,000 more than the administration proposal and the same as the fiscal year 1990 appropriation.

TRANSITIONAL AND SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

Appropriations, 1990	$126,825,000
Budget estimate, 1991	143,592,000
House allowance	150,000,000
Committee recommendation	143,592,000

PROGRAM DESCRIPTION

The Supportive Housing Demonstration Program is authorized by the Homeless Housing Act of 1986 and the Stewart B. McKinney Homeless Assistance Act as amended. It is designed to develop innovative approaches for providing transitional housing and supportive services for homeless persons, focusing on those capable of moving into independent living. It targets funds to housing assistance for the handicapped, families and deinstitutionalized individuals. Demonstrations funded under the program are intended to determine the cost of acquiring and rehabilitating, or leasing, existing structures for homeless housing as well as the cost of operating such housing and providing supportive services. These demonstrations should illustrate the advantages associated with providing this type of housing and supportive services to the homeless.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $143,592,000. This is the same as the administration's budget proposal and $6,408,000 less than the House allowance.

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

Appropriations, 1990	$10,830,000
Budget estimate, 1991	161,000,000
House allowance	15,000,000
Committee recommendation	11,263,000

PROGRAM DESCRIPTION

The Supplemental Assistance for Facilities to Assist the Homeless [SAFAH] Program is authorized by the Stewart B. McKinney Homeless Assistance Act, as amended. The program is designed to provide comprehensive assistance for particularly innovative programs or alternative methods of meeting the immediate and long-term needs to the homeless.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $11,263,000. This is $149,737,000 less than the administration proposal and $3,737,000 less than the House allowance.

The Committee is skeptical that a large incursion of housing vouchers will be a more effective way to meet the needs of the homeless than will funding through such programs as emergency shelter grants and SAFAH, which have such advantages as funding of increased shelter capacity and the leveraging provided by matching funds.

Accordingly, the Committee denies the administration proposal for a large homeless voucher program that is presently not authorized by legislation. Instead, the Committee recommends continuation of the SAFAH Program with an appropriation of $11,263,000, with the stipulation that the funds be used as authorized under title IV, subtitle D of the Stewart B. McKinney Homeless Assistance Act.

SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY

Appropriations, 1990	$73,185,000
Budget estimate, 1991	49,571,300
House allowance	100,000,000
Committee recommendation	105,000,000

PROGRAM DESCRIPTION

The Moderate Rehabilitation Single Room Occupancy Program is the only program included in the McKinney Homeless Assistance Act which provides permanent housing for the homeless. Furthermore, this program serves single individuals, the largest segment of the homeless population, and addresses the large reduction in available low-cost housing of this type in the private sector.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $105,000,000. This is $55,428,700 more than the administration proposal and $5,000,000 more than the House allowance. This will provide 2,763 incremental units of housing in fiscal year 1991.

SOLAR ENERGY AND ENERGY CONSERVATION BANK

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

PROGRAM DESCRIPTION

Title V of the Energy Security Act of 1980 authorized the creation of the Solar Energy and Energy Conservation Bank to encourage energy conservation and the use of solar energy. It provided funds to subsidize loans and grants for the installation of energy conservation and solar energy improvements in single and multifamily residences, and agricultural and commercial buildings.

The authorization for the Bank has expired. Although no funds are expected to become available in 1991, the budget proposes that any recaptures or balances that might become available be rescinded as amounts are now too small to run an effective program.

COMMITTEE RECOMMENDATION

The Committee has deleted language requested by the administration and included by the House to rescind funds made available or recaptured by the Solar and Energy Conservation Bank. The Committee believes that recent events in the Persian Gulf may require renewed steps toward improving U.S. energy efficiency. The Committee directs the Secretary to undertake a comprehensive review of actions which could be taken to improve energy conservation and efficiency in single- and multifamily housing in light of the growing price of oil caused by potential oil shortages. This report should be submitted by November 1, 1991.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

Appropriations, 1990	$2,915,064,000
Budget estimate, 1991	2,756,000,000
House allowance	3,000,000,000
Committee recommendation	3,200,000,000

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 60 percent of their block grant funds for activities that benefit low- and moderate-income persons. The Department proposes to increase this level to 75 percent in 1991.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting a designated amount for special purpose grants.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation for the Community Development Block Grant [CDBG] Program of $3,200,000,000. This is $444,000,000 more than the administration proposal and $200,000,000 more than the House allowance.

The Committee has proposed this increase because it believes that the CDBG is one of the most valuable tools which State and local governments have available to them to deal with pressing issues related to community and economic development. The National Council on Public Works Improvement estimated in a 1988 report that America's infrastructure needs are more than $45,000,000,000. As a result, the Committee believes that the modest increase proposed in the CDBG program for fiscal year 1991 is an important and strategic investment of Federal tax dollars.

The Committee concurs with the House in denying a proposed transfer of CDBG funds to the "Research and technology" account for program evaluation and monitoring. This issue will be addressed directly in the "Research and technology," "Salaries and expenses," and "Office of Inspector General" accounts.

The bill includes language requested in the administration's budget earmarking $14,500,000 for special purpose grants in fiscal year 1991, consistent with changes made to this program by the HUD Reform Act of 1989. Funds allocated for this activity include: $7,000,000 for insular areas, $3,000,000 for the work study program, and $4,500,000 for historically black colleges.

Also, consistent with changes made by the HUD Reform Act of 1989, the bill includes language making available $31,930,000 for grants to Indian tribes. The Reform Act established an entitlement funding category for Indian tribes beginning in 1991, with individual awards to the tribes to be made on a competitive basis.

The bill also includes language requested by the administration and included by the House providing $5,000,000 for the Public Housing Child Care Demonstration Program. The Committee looks forward to reviewing the Department's report on this pilot program which is due in February 1991, as required by section 222 of the Housing and Urban-Rural Recovery Act. The Committee expects that this report will outline the need for child care in public housing projects throughout the Nation and options for meeting this need through expanding existing public housing programs at HUD.

The Committee has recommended language that would provide an additional $2,000,000 for the Neighborhood Development Demonstration Program. This is the same amount as provided in fiscal year 1990. No funds were requested by the administration to continue this program and none was included in the bill by the House.

The Committee concurs with the House in including bill language requested by the administration that would prohibit lump sum payments to revolving funds established under section 104(h) for housing rehabilitation activities under the CDBG program. This language is similar to that included in last year's appropriations bill. While the Committee is aware of the value of these revolving funds to some communities throughout the Nation, its high outlay impact, in an era of very limited fiscal resources, prevents its continuation. It is the Committee's hope that pending housing legislation will create new opportunities for State and local governments to leverage Federal funds for low- and moderate-income housing opportunities in their States and localities.

Finally, the Committee has included bill language limiting loans under section 108 to $250,000,000 in fiscal year 1991. This amount is $110,000,000 more than the House level, $250,000,000 above the budget request, and $108,232,000 more than the 1990 level.

It has come to the Committee's attention that HUD recently issued a ruling regarding current policy for assessing low- and moderate-income benefit through job creation by a CDBG-assisted project. The HUD ruling states that university engineering graduates cannot be classified as low- and moderate-income persons in filling jobs created by a CDBG-assisted project even if their income was low prior to taking the job. Engineers should not be singled out and treated differently than other professions. The Committee also feels this is not a correct interpretation of the community development block grant regulations. Currently, HUD regulations allow cities to determine whether a job is a low- and moderate-income job based on the income of the person prior to accepting the job. The Committee believes this interpretation is in keeping with statutory authority and directs HUD to continue to include this as an option to cities applying for CDBG-assisted job creation projects.

In addition, the HUD ruling does not take family size and the economics of an area into account when classifying a low- and moderate-income job. The Committee also believes this ruling could be discriminatory toward college graduates. The Committee directs HUD to modify the job-creation rulemaking and to incorporate the issues raised by the Committee into the fiscal rulemaking.

URBAN DEVELOPMENT ACTION GRANTS

PROGRAM DESCRIPTION

Title I of the Housing and Community Development Act of 1974, as amended, authorizes urban development action grants [UDAG's] to distressed cities and distressed urban counties to fund economic development projects. The budget proposes a rescission of all 1991 unobligated funds, estimated at about $10,000,000. In addition, the administration has proposed legislation to repeal the UDAG program.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in rejecting the administration's request to rescind all recaptured UDAG funds. While there has been no new appropriation for the UDAG program since fiscal year 1988, the ongoing use of recaptured funds has enabled several funding rounds that have been important to numerous localities throughout the Nation.

REHABILITATION LOAN FUND

PROGRAM DESCRIPTION

Section 312 of the Housing Act of 1964, as amended, authorizes the Secretary to make loans for the rehabilitation of single family and multifamily residential properties and nonresidential properties in federally aided community development grant, urban homesteading, urban renewal and code enforcement areas certified by local governments. The Department proposes to terminate the program in 1991 and to transfer unobligated balances to annual contributions for assisted housing.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the continuation of the section 312 rehabilitation loan program although the administration has proposed its termination. As a result, the Committee has included bill language continuing the loan program using repayments for fiscal year 1991. According to the Department, $87,000,000 will be available for new loans in 1991 by continuing the program using repayments. The Committee is extremely supportive of the loan program because it is a significant resource for rehabilitation by homeowners and used for urban homesteading. The Committee directs the Department to continue to notify the Committee of any loans made over the amount of $1,000,000. In addition, the Committee is to be notified of any loans made in the last 30 days of the fiscal year exceeding the amount of $200,000. In this notification, the Department must continue to certify that all requirements for valid loan approval have been met.

URBAN HOMESTEADING

Appropriations, 1990	$12,995,000
Budget estimate, 1991	50,000,000
House allowance	15,000,000
Committee recommendation	13,000,000

PROGRAM DESCRIPTION

Section 810 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to transfer, without payment, to a unit of general local government, State or public agency, any HUD-owned, unoccupied, one- to four-family residences for use in an approved urban homesteading program. Section 810 also authorizes the Secretary of Veterans Affairs and the Secretary of Agriculture to transfer their unoccupied, one- to four-family residences for use in HUD-approved urban homesteading programs. Section 501 of the Financial Institutions Reform Recovery and Enforcement Act of 1989 authorizes the use of Resolution Trust Corporation properties for urban homesteading.

The funds appropriated for urban homesteading reimburse the appropriate Federal agencies or funds for the fair market value of each property transferred.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,000,000 for urban homesteading. This is $37,000,000 less than the administration proposal and $2,000,000 less than the House allowance.

The Committee concurs with the House in denying a proposed transfer of urban homesteading funds to the "Research and technology" account for program evaluation and monitoring. This issue will be addressed directly in the "Research and technology," "Salaries and expenses," and "Office of Inspector General" accounts.

In providing for essentially level funding in the Urban Homesteading Program in fiscal year 1991, the Committee notes that the Department's latest report indicates a modest decrease in the number of local urban homesteading agencies who participated in the program. The Committee believes that a large increase in funds for the program should be prompted only by the availability of additional capacity among public and nonprofit organizations for homesteading activities. The Committee urges the Department to focus on this need before seeking substantial increases for homesteading funds.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

Appropriations, 1990	$20,426,000
Budget estimate, 1991	[1] 23,000,000
House allowance	30,000,000
Committee recommendation	27,000,000

[1] Does not include $25,000,000 to be transferred to the research and technology appropriation from 12 other accounts.

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, testing, and demonstrations relating to the Department's mission and programs. These functions are carried out internally and through grants to and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research programs focus on ways to improve the efficiency, effectiveness, and equity of HUD programs and identify methods to achieve cost reductions. In 1991, the Department proposes to transfer funds from other HUD programs to support increased evaluation and monitoring activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $27,000,000. This is $3,000,000 less than the House allowance and $4,000,000 more than the budget request. This amount is an increase of $6,574,000 over the fiscal year 1990 appropriation.

The Committee concurs with the House in making funds available for program evaluation and monitoring through a direct appropriation, rather than through transfers from individual appropriation accounts. The Committee's approach is more consistent with the recommendations contained in section 124 of the HUD Reform Act of 1989.

The Committee's recommendations include the following changes from the budget estimates:

+$10,000,000 for program evaluation and monitoring activities. This amount, when coupled with the $2,160,000 for 40 staff-years in the "Salaries and expenses" account, plus the additional 20 staff-years and $1,443,000 in the "Office of Inspector General" account, provide for a $13,603,000 program level for evaluation and monitoring activities. The Committee expects that the Secretary will report annually on the Department's efforts in this new initiative. The first report should be submitted by May 1, 1991.

+$250,000 to determine the literacy and education needs in public and Indian housing projects throughout the Nation. The Committee expects that a report on this survey will be submitted before the end of fiscal year 1991.

+$500,000 for research and technical assistance projects specifically related to persons with disabilities.

+$500,000 for lead paint research above the $250,000 already requested in the budget.

+$500,000 for joint labor-management training programs to specifically address lead paint worker protection.

−$7,750,000 as a general reduction, to be taken at the Department's discretion, subject to the Committee's regular reprogramming requirements.

The Committee does not concur with the House earmark of $500,000 for housing technology research.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

Appropriations, 1990	$12,410,000
Budget estimate, 1991	12,200,000
House allowance	12,200,000
Committee recommendation	12,410,000

PROGRAM DESCRIPTION

The fair housing activities apropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities. This complements the Department's Fair Housing Assistance Program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $12,410,000. This is $210,000 above the House allowance and the budget request, and the same amount as the 1990 appropriation. The Committee has included bill language extending the Fair Housing Demonstration Program for an additional year.

The Committee concurs with the House in denying a proposed transfer of fair housing funds to the "Research and technology" account for program evaluation and monitoring. This issue will be addressed directly in the "Research and technology," "Salaries and expenses," and "Office of Inspector General" accounts.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Total
Appropriations, 1990	$345,407,000	$385,659,000	$731,066,000
Budget estimate, 1991	426,124,000	380,342,000	806,466,000
House allowance	426,124,000	390,342,000	816,466,000
Committee recommendation	432,000,000	396,000,000	828,000,000

PROGRAM DESCRIPTION

The appropriation proposed by the Committee would finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development, including the following activities:

1. *Housing and mortgage credit programs.*—This activity includes staff salaries and related expenses associated with administering housing programs, the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction and safety, and real estate settlement procedures.

2. *Community planning and development programs.*—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

3. *Equal opportunity and research programs.*—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and executive orders and the administration of research programs and demonstrations.

4. *Departmental management, legal and audit services.*—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary and Office of General Counsel, as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services. In 1989 and prior years, this activity also included the Office of Inspector General. A separate appropriation was enacted for the Office of Inspector General in 1990.

5. *Field direction and administration.*—This activity includes salaries and expenses for the regional administrators, area office managers, and their staffs who are responsible for the direction, supervision, and performance of the Department's field offices, as well as administration support in areas such as accounting, personnel management, contracting and procurement, and office services.

COMMITTEE RECOMMENDATION

The Committee recommends $432,000,000 in direct appropriations, plus $396,000,000 from various funds of the Federal Housing Administration, for salaries and expenses of the Department of Housing and Urban Development in 1991. This amount, together with an estimated $8,409,000 in transfers from other sources, will provide a total of $836,409,000 for management of HUD. This is an increase of $11,534,000 above the House-passed level, $21,534,000 above the budget estimate, and $96,934,000 above the 1990 appropriation.

The Committee recommendation includes the following changes from the budget estimate:

+$1,500,000 for the Housing Assistance Council.

+$1,350,000 and 25 staff-years for data management improvement and preservation activities in the Office of Housing in Washington. The Committee notes that an internal HUD task force recommended that 300 additional staff-years were needed for data management alone.

+$10,800,000 and 200 staff-years for housing activities, to be allocated only to field offices. The Committee is deeply concerned about the failure of the Department to implement and begin its FHA Multifamily Full Insurance Program. Delays in creating the Department's Delegated Processing Program have essentially meant that no Federal insurance program for multifamily housing exists, resulting in sharp reductions in the creation of new multifamily housing for low- and moderate-income families. As a result, the Committee directs the Secretary to implement a delegated processing program by November 30, 1990, and allocate sufficient staff from the 200 staff-year increase provided by the Committee for housing staff to cover this activity in fiscal year 1991. In keeping with the Committee's interest in multifamily housing activities, the Committee has included bill language establishing a floor of 2,000 field staff-years for fiscal year 1991 for multifamily housing activities within the Office of Housing.

+$1,566,000 and 29 staff-years for public housing, with 20 of those staff-years to be allocated only to field offices. The remaining 9 staff-years will support the Office of Drug Free Neighborhoods, which will be transferred from the Office of General Counsel.

+$1,620,000 and 30 staff-years for community planning and development activities, with all of them allocated to field offices only.

−$540,000 and 10 staff-years for the Office of Policy Development and Research, due to the increase which this office will receive from the new program evaluation and monitoring staff.

+$2,160,000 and 40 staff-years for program evaluation and monitoring. The Committee expects that one-half of these positions will be allocated to program offices, and that the Committee will receive annual reports on the agency's program evaluation and monitoring efforts. The first such report should be submitted by May 1, 1991.

+$1,080,000 and 20 staff-years for field activities in the Office of Fair Housing and Equal Opportunity.

−$788,400 and 14 staff-years from Departmental Management, a net reduction of 4 staff-years below the 1990 level.

−$2,543,400 and 47 staff-years for the Office of General Counsel, including the transfer of the Office of Drug-Free Neighborhoods, and 9 staff-years to the Office of Public and Indian Housing, and an increase of 40 staff-years above the budget request for HUD's Field Legal Services. No reductions shall be taken in fair housing or program enforcement activities.

+$2,160,000 and 40 staff-years above the budget request for HUD's field legal services.

+$972,000 and 18 staff-years for administration and staff services.

+$2,197,800 and 40.7 staff-years for field administration.

The Committee is aware of the significant legal workload that the Department has assumed because of the new fair housing laws and commends the Secretary for his aggressive enforcement of the law's requirements. Accordingly, the Committee has increased the Department's legal field staff by 40 staff-years above the budget request and 62 staff-years over fiscal year 1990, for a total of 339 staff-years. These resources should compensate for this increased workload and will permit the delegation of additional legal work to field staff, which should expedite the review and disposition of legal matters.

In prior reports on VA, HUD, and Independent Agencies appropriations acts, the Committee has expressed its concern with the potential abuse of travel funds provided to agencies when agency employees combine official Government travel with approved annual leave. The Committee has, in the past, imposed time restrictions on such use of leave in combination with travel, and required agencies to report on individual waivers of certain restrictions. The Committee believes that HUD will take sufficient precautions in this area so as to prevent abuse and, therefore, has no objection to the Department modifying its current policy for career employees so long as: any annual leave requested with such travel is purely incidental; it will cause no additional expense to the Government; or impede any official agency business.

The Committee is supportive of GSA's Consumer Information Center's efforts to produce a publication on the safe removal of lead-based paint. The Committee encourages CIC to ensure that this booklet is concise, practical, and available to the public at no charge. The Committee directs HUD to fund the printing and distribution of this important publication. It is estimated that printing and distribution costs will total approximately $150,000.

The Committee expects the staffing changes to be allocated as shown in the following table:

STAFF-YEAR SUMMARY

	Estimate fiscal year 1990	Fiscal year 1991—	
		Budget estimate	Senate recommendation
Housing:			
Washington	983.4	1,117.0	1,142.0
Field	5,592,3	5,918.2	6,118.2
Total	6,575.7	7,035.2	7,260.2
Public and Indian housing:			
Washington	149.7	148.2	157.2
Field	1,200.1	1,219.0	1,239.0
Total	1,349.8	1,367.2	1,396.2
Government national mortgage: Washington	59.9	61.1	61.1
Community planning and development:			
Washington	280.0	270.8	270.8
Field	826.0	861.2	891.2
Total	1,106.0	1,132.0	1,162.0
Policy development and research: Washington	137.4	147.1	137.1
Program evaluation and monitoring: Washington			40.0
Fair housing and equal opportunity:			
Washington	156.9	169.6	169.6
Field	538.6	592.2	612.2
Total	695.5	761.8	781.8
Departmental management: Washington	131.1	148.7	134.1
Office of General Counsel: Washington	237.9	271.0	223.9
Field legal services: Field	277.4	299.3	339.3
Administration and staff services: Washington	764.9	707.1	725.1
Working capital fund	283.8	283.8	283.8
Total	1,048.7	990.9	1,015.9
Field direction and operational support: Field	494.1	533.5	533.5
Field administration: Field	884.1	919.6	960.3
Subtotal staff-years	12,997.6	13,667.4	14,038.4
Office of Inspector General:			
Washington	104.8	119.3	119.3
Field	390.4	431.1	451.1
Total	495.2	550.4	570.4
Total staff-years	13,492.8	14,217.8	14,608.8

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Total
Appropriations, 1990	$23,795,000	$6,391,000	$30,186,000
Budget estimate, 1991	29,283,000	8,557,000	37,840,000
House allowance	29,283,000	8,557,000	37,840,000
Committee recommendation	29,283,000	10,000,000	39,283,000

[1] Previously funded in the salaries and expenses appropriation.

PROGRAM DESCRIPTION

This appropriation proposed by the Committee would finance all salaries and related expenses associated with the operation of the Office of Inspector General.

COMMITTEE RECOMMENDATIONS

The Committee recommends $29,283,000 in direct appropriations plus $10,000,000 from various funds of the Federal Housing Administration for salaries and expenses of the Office of Inspector General in 1991. This amount, together with an estimated $509,000 in transfers from other sources, will provide a total of $1,443,000 above the House-passed level and the administration's request.

This should provide the Office of Inspector General with 75 staff-years more than fiscal year 1990 and 20 staff-years above the budget request. These additional funds should be used to meet additional responsibilities from the Office's increased workload, as well as be used to augment the Department's program evaluation and monitoring effort.

ADMINISTRATIVE PROVISIONS

The Committee has included several administrative provisons recommended by the House: a provision permitting the city of Nanticoke, the Borough of Plymouth, and the Borough of Forty Fort, all located in Luzerne County, PA, to retain certain proceeds from urban renewal land disposition sale for use in accordance with CDBG specifications; a provision forgiving Fairmount Heights, MD, of a HUD public facilities loan debt; and a provision authorizing the use of excess residual reserve receipts from two Seattle housing projects for low-income tenants.

The Committee has modified language proposed by the House that limits HUD's headquarters' staffing by office, consistent with the Committee's recommendations in the "Salaries and expenses" account.

The Committee has retained a provision included by the House and contained in last year's bill that retains the $124,875 limit on the level which the Federal Housing Administration [FHA] can insure for a single-family home purchase.

The Committee has deleted a number of provisions, included by the House, which relate to the following communities: Lebanon, PA; Pittsfield, MA; East Stroudsburg, PA; and Santa Cruz, CA.

The Committee has included a provision that would exempt the city of West Hollywood, CA, and the State of Maryland from certain restrictions on the use of rental rehabilitation funds. This language is similar to that included in previous acts for the city and State of New York, and the State of Vermont.

The Committee has included language forgiving Danielle Rousseau and Jerome Hunter of Philadelphia, PA, from repaying their $81,000 section 312 loan, consistent with a provision included in the 1987 Housing and Community Development Act.

The Committee has included language that reappropriates funds previously rescinded for a housing development grant for the Dunes East Housing project in Albany, GA.

The Committee has included language transferring the Roosevelt Homes project in Davenport, IA, to a nonprofit organization selected by the city of Davenport, for use as an integrated program of shelter and social services to the homeless, or for other nonprofit uses.

The Committee has included language that permits the cities of New Haven, CT, and Roanoke, VA, to retain any funds that remain after the financial closeout of certain urban renewal projects for use consistent with the Community Development Block Grant [CDBG] Program.

The Committee was recently made aware that the Department has initiated two actions potentially affecting the ability of public housing authorities and Indian housing authorities to select of liability insurance coverage. First, with respect to special risk coverage associated with the mandated lead-based paint abatement activities funded through the modernization account, the Department has proposed a uniform nationwide contract will specifies the nature and type of insurance available to affected housing authorities.

Second, the Department is in the process of promulgating a rule applying competitive bid procedures on public housing authorities, including selection of general liability insurance coverage, which may impose burdensome and counterproductive procedural requirements on those which currently obtain coverage through captive risk retention entities.

The Committee certainly supports steps on the part of the Department to impose reasonable limitations and standards on insurance coverage purchased by these housing authorities since such costs are, in part, subsidized by the Federal Government. In addition, the Committee has repeatedly urged the Department to address issues relating the availability of appropriate liability insurance in the past. In the case of general liability coverage, the Committee actively supported steps by public housing authorities to establish captive entities when due to market conditions such commercially coverage was either unavailable or exorbitantly expensive. Similarly, the Committee recommended establishment of an indemnity fund for potential lead-paint abatement activities when it became clear that insurers were not willing to issue policies for this new risk.

The Committee is concerned, however, that the Department's currently proposed actions may unwittingly jeopardize continued availability of insurance coverage from alternative sources, such as captives, and over the longer term may lead to higher costs. For this reason, the Committee recommends inclusion of a new administrative provision which requires the Secretary to notify the Congress prior to making any such rule or directive effective.

The Committee has included bill language revising the allocation formula by adjusting the growth lag calculation for cities and counties where boundaries have been affected by annexation. This will benefit 11 communities nationwide.

Many of these cities are in the process of annexing portions of surrounding counties. As a result of these changes, a larger percentage of functions such as infrastructure, police, and water, have been assumed by the cities. Previously, these cities and counties have received CDBG entitlement funds. Most of the cities are funded under formula B, which is determined by growth lag, poverty, and age of housing stock, while counties are funded under formula A, based on population, density, and poverty. By moving the boundary line during the annexation process, counties have lost population base while cities artificially appear to experience growth. This results in a substantial reduction in community development funds for these affected geographical areas, even though the service population remains unchanged. Accordingly, the Committee has included this provision to correct the existing CDBG formula relating to annexation.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Appropriations, 1990	$16,032,000
Budget estimate, 1991	15,402,000
House allowance	15,900,000
Committee recommendation	15,402,000

PROGRAM DESCRIPTION

The American Battle Monuments Commission [ABMC] is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military cemetery memorials on foreign soil; 14 monuments and memorials not a part of the cemeteries; and 2 bronze tablets. In addition, the Commission administers four large memorials on U.S. soil. It is presently charged with erecting a Korean war veterans memorial in the Washington, DC, area.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $15,402,000 for the American Battle Monuments Commission. This amount is the same as the administration's request, $498,000 lower than the House allowance, and an increase of $895,000 above the fiscal year 1990 appropriation.

The Committee notes that the Commission's headquarters office burned in March 1990. The Committee directs the Commission to report in its 1992 budget request the status of its effort to reestablish its office, for which there was a $450,000 supplemental in fiscal year 1990.

Commission on National and Community Service

SALARIES AND EXPENSES

Appropriations, 1990	
Budget estimate, 1991	
House allowance	
Committee recommendation	$2,000,000

PROGRAM DESCRIPTION

The National and Community Service Act establishes a Commission on National and Community Service. The President is to appoint 21 members to the Commission, subject to Senate confirmation, who are to represent a broad range of viewpoints, and have extensive volunteer and service opportunity experience. The Commission will make grants to States and other entities to create service opportunities for students and out-of-school youth, full-time or summer youth corps service programs, full- and part-time national and community service programs, innovative national and community service programs, and national or regional clearinghouses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,000,000 for salaries and expenses for the Commission on National and Community Service.

PROGRAM ACTIVITIES

Appropriations, 1990	
Budget estimate, 1991	
House allowance	
Committee recommendation	$98,000,000

PROGRAM DESCRIPTION

The National and Community Service Act establishes a Commission on National and Community Service. The Commission makes grants to States and other entities to create service opportunities for students and out-of-school youth, full-time or summer youth corps service programs, full- and part-time national and community service programs, innovative national and community service programs, and national or regional clearinghouses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $98,000,000, to be used in accordance with the provisions of S. 1430, and allocated in the following manner: School-based and community-based programs for students and out-of-school youth, $25,000,000; Youth Service Corps, $35,000,000; National Service Full-time and Part-time Program, $35,000,000; Innovative Services Program, $1,000,000; and national or regional service clearinghouses, $2,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriations, 1990	$35,147,000
Budget estimate, 1991	35,609,000
House allowance	37,109,000
Committee recommendation	36,709,000

PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

The 1981 amendments to the Consumer Product Safety Act [CPSA] require the Commission to analyze costs and benefits of proposed rules, consider the protection afforded by existing voluntary standards and voluntary standards which could be developed, and examine all reasonable alternatives to mandatory requirements before proposing standards and major regulations, and again before issuing any such rule on a final basis.

To meet its obligations under the Consumer Product Safety Act and the other legislative mandates listed above, the Commission has developed a set of programs which address specific product hazards.

COMMITTEE RECOMMENDATION

The Committee has recommended $36,709,000 for the activities of the Consumer Product Safety Commission. This is an increase of $1,562,000 over the current budget and $1,100,000 more than the budget estimate.

The administration's proposed budget does not recommend funds for outside technical expertise to test and analyze product hazards. The Committee is concerned that without these contracts, the Commission will lack the capability to perform technical analysis of product hazards. Furthermore, this will significantly detract from the Commission's capacity to address hazardous products in a timely, authoritative manner. Therefore, the Committee has restored $1,000,000 to CPSC's budget for hazard contracts in lieu of the House increase of $500,000 for this activity.

The Committee continues to be concerned with safety hazards associated with all-terrain vehicles [ATV's]. The Committee notes that a recent survey conducted by CPSC revealed that more than half of all ATV dealers are not complying with certain aspects of the ATV consent decree. The Committee is perplexed that in light of this data, the administration has proposed to decrease funding for monitoring of the ATV consent decree by 50 percent below the current level of support. Therefore, the Committee has provided an additional $100,000 for this activity, bringing the total budget for ATV monitoring to $150,000.

The Committee has not provided $950,000 for a cigarette and little cigar study to be conducted by the National Institute on Standards and Technology, as included by the House, or $50,000 in associated travel costs.

The Committee is encouraged by the fact that the President recently appointed a Chairman to CPSC. The Committee notes that the Commission lacked a Chairman, and thus did not have a quorum needed to conduct official business, for over 10 months. The Committee urges the Commission to act expeditiously in addressing items which have been pending as a result of the lack of quorum and to provide frequent updates to the Committee on its action during fiscal year 1991.

The Committee notes that the budget request includes $8,376,000 and 121 work-years for agency management and support costs. This represents 23.5 percent of the agency's total budget request, while the Hazard Assessment and Reduction Program, which is integral to reducing the unreasonable risk of injury from consumer products, comprises only 19 percent of the total budget. Therefore, the Committee supports the House directive that CPSC submit a proposal by December 31, 1990, to reorganize the Commission.

U.S. Court of Veterans Appeals

SALARIES AND EXPENSES

Appropriations, 1990	$3,893,000
Budget estimate, 1991	9,560,000
House allowance	9,560,000
Committee recommendation	4,127,000

PROGRAM DESCRIPTION

The Court of Veterans Appeals was established by the Veterans' Judicial Review Act. The court has exclusive jurisdiction to review decisions of the Board of Veterans' Appeals. It has the authority to decide all relevant questions of law, interpret constitutional, statutory, and regulatory provisions, and determine the meaning or applicability of the terms of an action by the Department of Veterans Affairs. It is authorized to compel action by the Department unlawfully withheld or unreasonably delayed. It is authorized to hold unlawful and set-aside decisions, findings, conclusions, rules and regulations issued or adopted by the Department of Veterans Affairs or the Board of Veterans' Appeals. The Court, in its first 7 months of operations, received over 700 case filings. It expects its caseload to rise once legislation is enacted to address certain case-related privacy act concerns.

COMMITTEE RECOMMENDATION

The Committee has provided $4,127,000 for the Court of Veterans Appeals.

The Committee notes that in fiscal year 1990, the court carried over $2,905,000 from fiscal year 1989. The Committee further notes that while $3,893,000 was appropriated in fiscal year 1990, this amount was later reduced by $1,000,000. The fiscal year 1990 Appropriations Act authorized the chief judge to release up to $1,000,000 to the Department of Veterans Affairs "Medical and prosthetic research" account, if he determined that the court had excess funds. On July 1, 1990, the chief judge notified the Committee that this amount was to be transferred to VA.

Finally, the Committee understands that more than $1,000,000 will be carried over from fiscal year 1990 into fiscal year 1991. Therefore, the court's operating budget in fiscal year 1990 is $4,798,000 and the fiscal year 1991 operating budget would be approximately $5,127,000, an increase of almost 7 percent.

The Committee has not provided the full budget requested by the administration due to the court's inability to provide adequate justification for its budget request which represents an increase of 146 percent over the current year's appropriation, coupled with the fact that the court has not been able to expend more than $2,000,000 of its current appropriation. While the Committee is aware of the difficulties and uncertainties associated with formulating a budget plan for a newly formed court, it does not believe it can justify such a substantial increase in the absence of concrete data. Should the court determine that the budget provided is inadequate, the Committee would consider a request for a supplemental appropriation during fiscal year 1991.

The Committee is concerned with the court's lack of responsiveness to its requests. In particular, the court failed to provide an operating plan for fiscal year 1990, as directed by the Committee. The Committee urges the court to respond to congressional directives and inquiries in a more timely fashion in the future.

The Committee directs the court to submit an operating plan for fiscal year 1991 within 30 days of enactment of this act.

Bill language has been included, as requested by the administration and provided by the House, to exempt the court from the section 509 limitation on personnel compensation and benefits costs.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

Appropriations, 1990	$12,374,000
Budget estimate, 1991	12,236,000
House allowance	12,236,000
Committee recommendation	12,236,000

PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1989, Arlington and Soldiers' and Airmen's Home National Cemeteries contained the remains of 228,459 persons and comprised a total of approximately 628 acres. There were 3,051 interments and 1,155 inurnments in fiscal year 1989; 3,200 interments and 1,210 inurnments are estimated for the current fiscal year; and 3,360 interments and 1,270 inurnments for fiscal year 1991.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $12,236,000 for the Army's cemeterial expenses. This amount is the same as the administration's request and the House allowance and a decrease of $138,000 below the fiscal year 1990 appropriation. This reduction is possible because of the completion of several construction projects in fiscal year 1990.

ENVIRONMENTAL PROTECTION AGENCY

Appropriations, 1990	$5,486,563,000
Budget estimate, 1991	5,580,709,000
House allowance	6,012,625,000
Committee recommendation	6,012,937,000

GENERAL DESCRIPTION

The Environmental Protection Agency [EPA] was created through executive Reorganization Plan No. 3 of 1970 designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970 and the Agency was established as an independent agency in the executive branch on December 2, 1970 by consolidating 15 components from 5 departments and independent agencies.

A description of EPA's pollution control programs by media follows:

Air.—The Clean Air Act authorizes a national program of air pollution research, regulation, and enforcement activities. Under the act, primary responsibility for the prevention and control of air pollution at its sources rests with State and local government, with a strong mandate that the Environmental Protection Agency take action when States do not fulfill their responsibilities. EPA's role is to conduct research and development programs, insure that adequate standards and regulations are established to meet environmental goals set by the act, support State and local control activities, and insure that the standards and regulations are effectively enforced. The air program encompasses activities related to the development and implementation of air pollution control strategies and achievement of air quality standards.

Water quality.—The Clean Water Act [CWA], as amended in 1977, 1981, and 1987, provides the framework for protection of the Nation's surface waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses, and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal wastewater treatment works, and nonpoint source control practices.

The 1987 CWA amendments authorized the National Estuary, Clean Lakes, Chesapeake Bay, Great Lakes, and State Revolving Fund programs, while greatly increasing permit requirements to include sludge, stormwater and toxic controls.

The Marine Protection, Research, and Sanctuaries Act also forms a part of the framework to protect the Nation's waters. As amended by the Ocean Dumping Ban Act of 1988, it authorizes the Agency to ban ocean disposal of sewage sludge and industrial waste by 1991; to negotiate compliance and enforcement agreements with ocean dumpers to phase out their operations; and to collect fees and penalties from such dumpers. (In cooperation with the U.S. Army Corps of Engineers, the act authorizes EPA to regulate ocean dumping of dredged materials through permits.) Additionally, the Plastic Pollution Research and Control Act of 1987 requires EPA to identify and reduce the effects of plastic pollution on the marine environment and to prepare a restoration plan for the New York Bight.

The Environmental Protection Agency has the role of establishing national regulations and guidelines to assure that the goals of the acts are met; conducting research and development on methods, procedures, and technologies for water pollution control; making grants to support State and local activities; and insuring that standards and regulations are enforced effectively.

Drinking water.—The Safe Drinking Water Act [SDWA] of 1974 charged EPA with the responsibility of implementing a program to assure that the Nation's public drinking water supplies are free of contamination that may pose a human health risk, and to protect and prevent the endangerment of ground water resources which serve as drinking water supplies. In the time since the program was established, the requirements on the operators of public water systems as well as the number of community water systems regularly monitoring drinking water quality in conformance with consistent national regulations, have increased substantially. The SDWA Amendments of 1986 mandated revisions of existing contaminant standards, new standards for a host of chemical contaminants, and new regulatory provisions which require substantial further development of the Public Water Systems [PWS] regulatory framework and reemphasize EPA's responsibility for setting drinking water contaminant levels and ensuring enforcement. Additionally, the Lead Contamination Control Act of 1988 further amended SDWA to require EPA to provide information to the States, public, and local school districts on lead contamination of drinking water and authorized State grant funds to assist schools to identify and correct such problems.

The Drinking Water Program encompasses the following activities: (1) establishing national drinking water standards; (2) protecting underground sources of drinking water, particularly by controlling underground injection of wastes; (3) assisting the States in assuming primary responsibility for monitoring and enforcing compliance with national standards and regulations; (4) directly implementing programs for public water system supervision and underground injection control in States that have not received primary enforcement responsibility; and (5) performing research which supports the development, revision, and implementation of regulations.

Hazardous waste.—The Resource Conservation and Recovery Act of 1976 [RCRA] mandated EPA to develop a regulatory program to protect human health and the environment from improper hazardous waste disposal practices. The RCRA Program manages hazardous wastes from generation through disposal.

EPA's responsibilities and authorities to manage hazardous waste were greatly expanded under the Hazardous and Solid Waste Amendments of 1984. Not only did the regulated universe of wastes and facilities dealing with hazardous waste increase significantly, but past mismanagement practices, in particular prior releases at inactive hazardous and solid waste management units, must be identified and corrective action taken. The 1984 amendments also authorized a regulatory and implementation program directed to owners and operators of underground storage tanks.

Major activities under the Hazardous Waste Management Program include: (1) developing new and revising existing regulations and guidelines for hazardous waste handlers; (2) conducting research and development to support the hazardous waste program; (3) implementing a permitting and corrective action program; (4) enforcing compliance with regulations; and (5) authorizing and assisting State implementation of the program. The Hazardous Waste Program also supports activities authorized under the Emergency Planning and Community Right-to-Know Act of 1986.

Pesticides.—The objective of the Pesticide Program is to protect the public health and the environment from unreasonable pesticide risks while permitting the use of necessary pest control technologies. This objective is pursued by EPA under the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] and the Federal Food, Drug, and Cosmetic Act [FFDCA] through three principal means: (1) review of existing and new pesticide products; (2) enforcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

Radiation.—The radiation program's major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications or nuclear power sources. While some exposure to radiation is inevitable, EPA takes the position that no avoidable risk attributable to such exposure should occur to individuals or to the environment without offsetting benefits. EPA pursues this protective goal through four interdependent sets of activities, (1) development of criteria, standards, and guidelines; (2) assessment of the environmental impact of emerging radiation problems; (3) surveillance of radiation levels in the environment; and (4) research and development to determine methods for mitigating radiation exposure.

Toxic substances.—The Toxic Substances Control Act [TSCA] establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and institute control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage is broad, affecting more than 60,000 chemicals currently in commerce, and all new chemicals.

The major programs that the Agency must develop and implement to carry out the provisions of the act are those to: (1) require testing of chemicals and submission of reports of existing information by industry and review these and other data to determine chemical hazards; (2) review and act on new chemical and significant new use notifications by industry; (3) control the manufacturing, processing, distribution, use, and disposal of existing chemicals that pose unreasonable risks to health and the environment; (4) enforce these statutory and regulatory programs; (5) conduct research and development to support the implementation of the law; and (6) insure that all Agency programs dealing with toxic substances coordinate and integrate risk assessments, priority setting, and regulatory actions. In addition, the toxic substances program supports programs as authorized under the Asbestos School Hazard Abatement Act [ASHAA], the Asbestos Hazard Emergency Response Act [AHERA] and reporting requirements established by section 313 of the Emergency Planning and Community Right to Know Act of 1986.

Interdisciplinary.—The interdisciplinary medium is designed to support programs where the problems, tools, and results are multidisciplinary in nature and must be coalesced into an integrated program. This integrated program encompasses the Agency's enforcement policy and litigation activities. This concept is also employed in the Agency's efforts to advance the Agency's scientific capabilities and knowledge through basic research, to review other agencies' environmental impact statements [EIS's], to prepare new source EIS's, and to promote compliance of Federal activities with regulations for environmental pollution control.

Energy.—The primary objective of the Energy Research and Development Program is to provide scientific information necessary to evaluate environmental impacts and potential controls on energy production and utilization practices. Satisfying this objective requires research and development to better understand the phenomena of acid precipitation.

Superfund.—The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] established a national program to protect public health and the environment from the threats posed by inactive hazardous waste sites and uncontrolled spills of hazardous substances. The original statute was amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA]. SARA greatly expanded the original taxing authority and significantly broadened basic program authorities established under CERCLA.

To achieve its objectives, the EPA: (1) provides short-term emergency response to clean up hazardous waste spills; (2) undertakes long-term cleanup of the Nation's most serious inactive or abandoned hazardous waste sites which are designated on the National Priorities List; (3) compels responsible parties to directly undertake response actions whenever possible; (4) conducts alternative/innovative treatment technology research and demonstrations; and (5) seeks to recover moneys expended from the trust fund through enforcement actions.

SARA created an $8,500,000,000 Hazardous Substance Superfund to finance the cleanup and enforcement activities required by the statute. This fund is financed primarily by excise taxes levied on oil and chemical manufacturers, a corporate environmental tax, general fund appropriations, interest on investments, and cost recoveries.

Leaking underground storage tanks.—Subtitle I of the Solid Waste Disposal Act as amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA] established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks that contain petroleum. Owners and operators of facilities with underground storage tanks have the initial responsibility for corrective action and once regulations are phased in, must maintain evidence of financial responsibility.

EPA implements the LUST response program primarily through cooperative agreements with the States. The EPA or States with cooperative agreements may use the trust fund to conduct corrective actions if such an action is necessary to protect human health and the environment. EPA or the State will determine if an owner or operator is incapable or unwilling to properly carry out a corrective action. The trust fund may also be used to enforce corrective action by responsible owners and operators and pursue recovery of costs expended from the trust fund.

SALARIES AND EXPENSES

Appropriations, 1990	$864,409,000
Budget estimate, 1991	999,700,000
House allowance	995,000,000
Committee recommendation	949,700,000

PROGRAM DESCRIPTION

The salaries and expenses appropriation supports all costs of administering EPA's programs, exclusive of Superfund, LUST, and the Office of the Inspector General. This account provides support for executive direction, management, and support for all Agency programs at headquarters and the 10 regional offices. It also provides funding for repair and improvement projects under $75,000.

In addition to personnel and administrative costs associated with abatement, control and compliance, research and development, and enforcement activities, the salaries and expenses appropriation supports the following functions:

1. *Program management.*—This activity covers the salaries and related expenses for the assistant administrators and immediate staffs in the Offices of Water; Air and Radiation; Pesticides and Toxic Substances; Solid Waste and Emergency Response; Research and Development; Enforcement; General Counsel; and International Activities.

2. *Agency management.*—This activity supports agencywide policy direction and management activities, including the salaries and associated costs for: the Immediate Office of the Administrator; the offices which report directly to the Administrator; the Office of General Counsel; the Office of Administration and Resources Management; the Office of Policy, Planning, and Evaluation; the Office of the Inspector General; and the headquarters components of the Office of International Activities.

3. *Regional management.*—This activity supports the regional administrators, their immediate staffs and the staff offices reporting directly to them such as intergovernmental relations, public affairs, and civil rights. Regional management also includes the regions' central management functions: planning and analysis, budgeting, financial management, personnel management, and administrative services as well as the regional counsel.

4. *Laboratory support.*—This activity supports operation of the laboratories of the Offices of Research and Development; Pesticides and Toxic Substances; and Air and Radiation. These costs consist mainly of laboratory services such as, utilities, building maintenance, custodial services, communications, and other operational expenses.

5. *Agency support.*—This activity provides general office and building services and support for program operations at EPA headquarters, Research Triangle Park, and Cincinnati. Agency support also includes agencywide costs which are managed at headquarters and which support the needs of all Agency programs. Examples of such costs include facilities rent, ADP support, and use of the Federal Telecommunications System.

6. *Regional support.*—This activity supports basic needs of the regions, including telephone service, guard services, printing and copying services, rental of office equipment, ADP equipment, and other office and building services.

COMMITTEE RECOMMENDATION

The Committee has provided $949,700,000 for salaries and expenses, an increase of $85,291,000, or 10 percent, above the current budget. Given severe fiscal constraints, the Committee has reduced the budget request for salaries and expenses by $50,000,000.

The Committee has included $1,250,000 and 17.5 work-years to maintain title III Community Right-to-Know staffing and expenses, consisting of 7 work-years for emergency planning, 7 work-years for emissions inventory, and 3.5 work-years for enforcement efforts. The Committee calls on the Agency to provide enhanced emergency planning implementation (particularly in assisting State and local efforts), improved emissions inventory efforts (including releasing the 1989 data more expeditiously than was done for the 1988 data), and vigorous programwide enforcement of all provisions of the law (including federally initiated emergency planning enforcement).

The Committee has added $150,000 and 3 work-years to support lead activities. The Committee recognizes that lead poisoning is the most prevalent disease of environmental origin among American children today. Given the importance of addressing this issue in a coordinated and focused manner, the Committee directs the EPA Administrator to appoint an individual within the Office of the Administrator to coordinate the Agency's lead research and abatement activities. This person would act as liaison with the Department of Housing and Urban Development and other agencies which have a role in lead research and abatement. The Committee notes that the Agency is currently developing a comprehensive lead strategy. The Committee directs EPA to report on this strategy by December 10, 1990.

The 1988 Amendments to the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA 1988] mandate the reregistration of pesticides within a 9-year horizon. The Committee reaffirms its intention that EPA, in order to adequately protect the food supply, complete reregistration within the mandated timeframe. To this end, the Committee has added $6,000,000 for hiring scientific personnel in the Health Effects, Environmental Fate and Effects, and Registration Divisions of the Office of Pesticide Programs. The Committee directs EPA to use work-years authorized from the FIFRA revolving fund for fiscal year 1991 to increase on-board strength related to reregistration in the aforementioned divisions. Furthermore, if the work-years from this source, in addition to work-years funded by the $6,000,000 increase made by the Committee for this purpose, are insufficient to meet the personnel needs in these divisions, the Committee expects that resources within the Agency will be directed to fund the additional needs.

A major concern of the Committee is the completion of scheduled outputs for fiscal years 1990 and 1991. The Committee fully expects EPA to have issued the 11 reregistration eligibility documents planned for completion in fiscal year 1990 and to meet, as scheduled, reregistration output goals for fiscal year 1991.

The Committee is also concerned about the status of the computer systems used to manage the reregistration process. In particular, the capability of the systems to manage and report across broad categories of pesticides has yet to be demonstrated, but is critical for proper reregistration management and as a means of allowing Congress to determine if data submission deadlines are met.

The Committee is concerned that in the past the Agency has not been guided by a strategic plan for the environment. The Committee is encouraged that EPA is in the process of developing such a plan, and directs EPA to provide this plan to the Committee concurrent with the fiscal year 1992 budget submission. The Committee expects that this plan will outline the most pressing environmental problems, prioritizing those problems according to risk to human health and the environment, and proposing a 5-year action plan for implementation for the long term as to how EPA will address those problems. The Committee directs EPA to work with the Science Advisory Board in developing this action plan. The Committee is highly supportive of EPA's efforts to begin to approach its agenda in an integrated manner with a focus on pollution prevention and expects the strategy to reflect this.

The Committee directs that, upon enactment of this act, the Division of Pollution Prevention (which currently resides in the Office of Pollution Prevention which itself is a part of the Office of Policy, Planning, and Evaluation) be moved to the Office of the Administrator for a period of not less than 36 months. The name of the division may be changed by the Administrator to reflect its function and importance within the agency. The Committee expects that the Deputy Administrator will be the senior EPA official responsible for the division's activities. The Deputy Administrator will also be responsible for having the agency's program offices adopt a commitment to pollution prevention.

The Committee notes that the Administrator has stated on numerous occasions that pollution prevention is his No. 1 priority. However, the agency has yet to develop a pollution prevention strategy and little headway has been made with respect to infusing a pollution prevention mentality agencywide. Furthermore, the Committee is concerned that were the Division of Pollution Prevention to remain under the Office of Policy, Planning, and Evaluation, which plays an internal analytical role directed at the agency's program offices, its mission would conflict with that of the EPA program offices. The cooperation of the program offices is absolutely essential if pollution prevention is to become a reality in our Nation. Therefore, the Committee believes this action is warranted. The Committee notes that this move will affect 25 staff-years budgeted for the Division of Pollution Prevention for fiscal year 1991.

The Committee is highly supportive of the Agency's recent activities with respect to environmental education. The Committee understands that an internal task force has recommended a strategic plan for environmental education, subject to the normal reprogramming guidelines. The Committee supports this plan and directs the Administrator to provide such funds as necessary to begin implementing the plan in fiscal year 1991. The Committee directs EPA to provide a progress report on the establishment and activities of the Office of Environmental Education by January 11, 1991.

The Committee reaffirms its support for the Senior Environmental Employment [SEE] Program and calls upon EPA to utilize this valuable resource in other program areas. The Committee strongly urges EPA to make greater use of SEE enrollees in the Asbestos Hazard Emergency Response Act initiative, Superfund activities, and Earth Day-related projects. Additionally, EPA should encourage State programs which are funded by EPA to utilize SEE enrollees to provide technical assistance in emerging environmental concerns, such as monitoring the quality of indoor air, inspecting leakage in underground tanks, and others.

Because of the unique working relationships between the national public service nonprofit organizations, serving as SEE grantees, the unbiased interest of the SEE workers and the Agency program managers, the SEE program should not be subject to work restrictions or limitations placed on contractors and contract employees.

The Committee recognizes the valuable function performed by the small business ombudsman in serving as advocate for the small business community in the development and implementation of the agency's regulations. The Committee urges the agency to ensure that this office is adequately funded to perform alternative regulatory studies and comparative economic impact verification analyses.

The Committee has taken the following reductions:

- —$24,000,000 from the following activities which support the research and development program: laboratory program support; supplies and materials; equipment; automated data processing services; interagency support agreements, human resources development training, operation of facilities, and other support services; and printing and reproduction. The Committee notes that it has included bill language under the "Research and development" account allowing the Agency to pay for these activities out of that account.
- —$5,000,000 from the $6,728,000 increase requested for travel and transportation of persons. The Committee notes that this will provide a travel budget of $27,747,000, an increase of 6.7 percent over the current budget.
- —$5,000,000 from the $8,869,000 increase requested for supplies and materials. The Committee notes that this will provide a supplies and materials budget of $19,904,000, an increase of 21 percent over the current budget.
- —$1,500,000 from the budget requested for the Office of Policy, Planning, and Evaluation. This will provide the Office with an increase of almost 10 percent over the current budget.
- —$2,000,000 from the budget requested for the Office of Administration and Resources Management. This will provide the Office with an increase of almost 10 percent over the current budget.
- —$500,000 from the budget requested for the Office of General Counsel. This will provide the Office with an increase of 27 percent over the current budget. The Committee directs that not fewer than 6 total work-years from the increase be devoted to the implementation of amendments to the Clean Air Act.
- —$19,400,000 to be taken at the discretion of the Administrator.

The Committee has not included language proposed by the administration related to the environmental services fund.

Bill language has been included limiting representation expenses to $5,000, as in the House bill.

OFFICE OF INSPECTOR GENERAL

Appropriations, 1990	$30,903,000
Budget estimate, 1991	38,709,000
House allowance	37,000,000
Committee recommendation	33,709,000

PROGRAM DESCRIPTION

The Office of Inspector General provides EPA audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement. The audits function provides contract audit, internal audit, and grant audit services. Contract audits provide professional advice to Agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of Agency operations. Grant audits focus on the effectiveness of individual projects, reasonableness of costs, and adequacy of management systems. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee has provided $33,709,000 for the Office of the Inspector General, an increase of 9 percent over the current budget.

The Committee has made a general reduction of $5,000,000, without prejudice, to be taken at the discretion of the Administrator.

RESEARCH AND DEVELOPMENT

Appropriations, 1990	$229,820,000
Budget estimate, 1991	249,000,000
House allowance	254,900,000
Committee recommendation	249,000,000

PROGRAM DESCRIPTION

EPA's Research and Development Program is designed to produce the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution. The Agency's research and development efforts are conducted through contracts, grants, and agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's 12 laboratories and various field stations.

The Research and Development Program encompasses activities such as developing and improving sampling and analytical methods and instruments for measuring pollutants; determining the effects of pollutants on many animals, plants, materials, and the general environment; researching the processes that relate to pollution; evaluating technologies for preventing and controlling pollution;

and developing guidelines and research tools to improve risk assessments.

COMMITTEE RECOMMENDATION

The Committee has provided $249,000,000 for research and development, an increase of $19,180,000 over the current budget and the same amount as requested by the administration.

The Committee has included $1,000,000 to establish solar and renewable energy cost-shared commercialization projects, in lieu of $1,500,000 provided by the House. Of this amount, $250,000 is designated for establishing cost-share solar commercialization projects to demonstrate how solar applications can displace or offset fossil energy use which produces global climate change gases; $600,000 would be provided to share in the cost of ongoing applied research using solar concentration to break down toxic and hazardous waste; and $150,000 would support EPA analysis of how the solar and renewable energies industry can technically and economically contribute to offset conventional energy applications.

The Committee has provided $3,500,000 to support the existing university portion of the southern oxidants study, a major research project to investigate the South's unique problems with ozone control. This project involves scientists from universities across the country as well as numerous participants from industry and the public sector.

In fiscal year 1990, EPA awarded $2,500,000 to share in the cost of a demonstration of new pollution prevention technology that reduces coke oven pushing and quenching emissions. Recognizing that the demonstration is a 2-year public-private effort, the Committee has included $3,000,000 for the second year of the demonstration. The Committee notes that this system has the potential to significantly reduce particulate matter emissions.

The Committee has provided $3,000,000 to continue the multimedia lead initiative at its current level of support. This research supports EPA regulatory efforts, focusing on direct abatement support, exposure analysis measurement, health implications, and technology transfer activities.

The Committee has added $2,000,000 to initiate a comprehensive analysis of possible solutions to the acute air, water quality, and hazardous waste problems that plague the United States-Mexico border region of Arizona, Utah, New Mexico, and Texas. A United States-Mexico public-private sector consortium representing these four States shall conduct such research and organize a management conference to focus United States-Mexico academic, governmental, and private sector expertise on the border environmental issues outlined above. The Committee notes that this research and conference can contribute to an improved understanding of the environmental problems in this significant multistate region and shall lead to the establishment of a center for such research to serve the Southwest region of the United States.

The Committee has included $2,000,000 for the Gulf Coast Hazardous Substance Research Center. The purpose of the center is to conduct research for more effective hazardous substance and waste management throughout the gulf coast.

The Committee has earmarked $710,000 to convert a potable water re-use demonstration plant now operated by the Denver Water Department into a national center for water pollution research. The facility will be used to design and test new pollution control technologies and serve as a national and international training center. The plant will provide a unique opportunity to conduct research and training at a fully operational large-scale facility.

The Committee has provided $300,000 for start-up costs for siting and permitting for a test facility for a demonstration of the sludge-to-oil reactor system [STORS]. The project would demonstrate the feasibility of a new technology to turn sludge into energy, thus solving a waste disposal problem and creating a resource at the same time. The test site should be located so as to be tested in a major metropolitan area. It should also be located on a major estuary as the fragile ecology ensures that the STORS process can meet the strict requirements and environmental controls of this demanding setting. Furthermore, the STORS test facility should be located at a plant that uses sludge incineration and has a sufficient supply of dewatered and undigested sludge available for test purposes.

The Committee has provided $2,000,000, equally divided between planning grants and graduate traineeships, to establish an experimental program to stimulate competitive research [EPSCoR]. The Committee notes that such a program was recently established at the Department of Energy, and currently exists at the National Science Foundation.

The Committee continues to support the concept of a national environmental sciences institute which would conduct a core ecological research program, monitor and report on trends in ecological quality, and provide a catalyst for ecological efforts funded by other Federal agencies, State governments, universities, and the private sector. The Committee supports the establishment of such an institute through an open and fully competitive process with the criteria being developed by EPA in conjunction with the National Academy of Sciences and the appropriate congressional committees.

In keeping with this, the Committee has earmarked $500,000 for a study to be conducted by the National Academy of Sciences under contract to the Environmental Protection Agency and completed within 12 months, on the feasibility of an umbrella research arm, the National Institutes for Environmental Research, which would support training in the environmental sciences and fundamental and applied environmental research on a wide variety of disciplines, including biology, ecology, geology, and engineering, through intramural and extramural research activities, including competitive grants to institutions and organizations that support interdisciplinary research teams and investigator-initiated proposals. This report shall be submitted to the appropriate committees of Congress and contain recommendations on mechanisms that can be used to advance environmental research and training, the relationship of such an institute to existing government programs and other research entities conducting environmental research, and appropriate levels and sources of funding.

The Committee has provided $500,000 for the Institute for Environmental Issues and Policy Assessment at Southern University of Louisiana. The funds will be used to facilitate the transfer of the new knowledge and technologies developed by environmental scientists and engineers; conduct studies of environmental risk assessment and management approaches to minimize environmental risks; formulate and evaluate policy options for consideration by legislators and regulators; and facilitate small and minority business and industry development in the areas of environmental waste management and environmental restoration.

The Committee has provided $200,000 for a research project on the Formosan subterranean termite to be conducted by Louisiana State University. The presence of this termite has been recognized as a serious threat to the nine southeastern States, particularly Louisiana, causing damage to a variety of materials including buildings, agricultural crops, paper products, and underground cables, among other things. In spite of the extensive use of insecticides to control the Formosan termite, control is often not effective. Therefore, the Committee believes this research project is justified.

The Committee has not provided the following additions made by the House to the budget request: $3,500,000 for the Center for Environmental Management; $250,000 for research on the control of the zebra mussel; $1,000,000 for improvements to the Robert S. Kerr Environmental Research Laboratory; $1,000,000 to establish a cooperative program with the Water Pollution Control Federation Research Foundation; and $400,000 for a demonstration pilot plan in cooperation with the National Resources Research Institute's Minerals Research Laboratory.

While the Committee has deleted $1,000,000 added by the House for the Water Pollution Control Federation, the Committee remains interested in this proposed research project. The Committee did not provide funds because of its concern that outside research should complement EPA's own water quality research priorities, and supplement the water quality research supported directly by EPA. If the Committee can be convinced that the project proposed by the Water Pollution Control Federation meets this criteria, the Committee would be willing to reexamine this issue when it meets with the House in conference on the bill.

The Committee understands that Arkansas State University has responded to an EPA solicitation for proposals to establish exploratory environmental research centers. The Committee urges EPA to give every consideration to approving Arkansas State University's application.

The Committee is aware of a proposal submitted from a consortium of universities for a coalition for international environmental research and assistance. The coalition proposes to provide a resource base through which expertise in research and technical assistance can be channeled to the international community. The Committee urges EPA to give careful consideration to this proposal in the context of a competitive solicitation.

The Committee does not concur with the House reduction of $4,250,000 from global warming research.

The Committee has reduced the Exploratory Grants Program by $5,000,000 from the $28,200,000 requested by the administration.

The Committee notes that the amount provided represents an increase of $5,500,000 or 31 percent over fiscal year 1990.

The Committee has taken a general reduction of $13,710,000, to be taken at the discretion of the Administrator. The Committee directs that this general reduction be taken on an equitable basis, with no area being reduced disproportionately.

The Committee has included bill language permitting up to $35,600,000 for laboratory equipment procurement, supplies, and other operating expenses in support of research and development.

Currently, the Office of Research and Development's [ORD] inhouse research conducted at 12 laboratories is funded through the salaries and expenses appropriation. This includes the procurement of scientific supplies, the cost of operating the laboratories, equipment maintenance, scientific training for staff, and other support costs. The bill language will allow EPA to use the "Research and development" account rather than the "Salaries and expenses" account to pay for supplies and other operating expenses in direct support of the Agency's research and development projects, thereby enabling EPA to plan and implement research projects in a more cost-effective manner.

The Agency is directed to absorb the additional cost of supplies and operating expenses within the "Research and development" account equitably, without eliminating any project or activity. The Agency shall report to the Committee by December 15, 1990, on the Agency's spending plans for laboratory equipment, supplies, and other operating expenses and on the effects by research project of absorbing this additional cost in this account.

The Committee has not included language requested by the administration permitting the Agency to use research and development funds for facility construction and repairs.

ABATEMENT, CONTROL, AND COMPLIANCE

Appropriations, 1990	$798,434,000
Budget estimate, 1991	865,300,000
House allowance	1,006,525,000
Committee recommendation	985,300,000

PROGRAM DESCRIPTION

The Agency's abatement and control effort includes the development of environmental standards; monitoring and surveillance of pollution conditions; grant support for State and local water quality pollution control planning; direct Federal pollution control planning; grant support for State, regional, and local pollution control programs; technical assistance to pollution control agencies and organizations; preparation of environmental impact statements; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact.

The compliance activity at EPA encompasses the areas of air and water pollution control, drinking water, pesticides, hazardous waste, and toxic substances. A major part of the Agency's compliance effort involves support of, or cooperation with, State and local enforcement programs, such as enforcement of air quality standards, navigable and interstate water quality standards, issuance of pollution discharge permits, and issuance of hazardous waste permits and compliance monitoring. Notices of violation, abatement orders, enforcement conferences, civil and criminal court actions, and, in the case of pesticides, recalls and seizures, are used by the Agency as tools to implement its enforcement responsibilities.

COMMITTEE RECOMMENDATION

The Committee has provided $985,300,000 for abatement, control, and compliance, an increase of $186,866,000 over the current budget and $120,000,000 over the budget request.

The Committee recommends the following adjustments to the administration's request:

+$54,000,000 for asbestos loans and grants to schools, compared to $48,050,000 in the House bill. Of the total, $1,500,000 is earmarked to continue asbestos worker training through joint labor-management trust funds; $1,200,000 is earmarked for State training certification programs; and $100,000 is earmarked for grants for continuing training of minority and women contractors, to be administered by the Office of Small and Disadvantaged Business Utilization.

+$37,142,000 for nonpoint source pollution control grants, for a total of $51,392,000, including $750,000 for a nonpoint source management program for the Illinois River basin to be developed and implemented jointly by the States of Arkansas and Oklahoma, and $1,250,000 to assess the influence of rural nonpoint source pollution on the ecology of streams throughout the tristate region of Kansas, Iowa, and Nebraska.

+$2,000,000 for toxics research in the Chesapeake Bay. The Committee directs the agency to provide a plan as to how the funds will be spent prior to obligating any funds.

+$800,000 for the Chesapeake Bay program, to bring funding to the fully authorized level. The Committee directs EPA to provide a report on the status of the bay program, including milestones reached and future goals for the program, by March 15, 1991.

+$2,000,000 for the Lake Champlain management conference, of which $250,000 is for researchers at the University of Vermont, the State University of New York (Plattsburgh), and the University of Rhode Island, for research on toxic substances in Lake Champlain sediments.

+$5,000,000 for global climate change policy activities, including broadening research on the effects of climate change, supporting analyses of emission reduction, and supporting the negotiations of a global convention on climate change.

+$2,000,000 for research into practices, technologies, and policies to control methane. Recognizing that methane is an important greenhouse gas which contributes to the warming of the Earth, the Committee directs EPA to report on potential methods to reduce methane emissions by July 1, 1991.

+$5,000,000 for the Montreal Protocol Facilitation Fund, which will provide assistance to developing countries to convert their industries to nonozone depleting chemicals and to comply with the Montreal Protocol on Substances that Deplete the Ozone Layer. This fund is essential to enlisting the support of developing countries in the effort to phase out ozone-depleting chemicals. The Committee notes that $10,000,000 was provided for the fund in the foreign operations, export financing, and related programs appropriations bill as passed by the House.

+$4,000,000 for implementation of revisions to the Montreal Protocol, and to help develop energy efficient and safe substitutes for chlorofluorocarbons [CFC's].

+$500,000 for the Office of International Activities. Given the growing importance of EPA's role in international activities, the Committee is perplexed with the administration's decision to decrease the budget for that office by 13 percent in its budget request. In particular, EPA's programs in Eastern Europe have expanded significantly as a result of the President's Eastern Europe environmental initiative. Therefore, the Committee has provided $500,000 above the budget request for the Office of International Activities. This will provide a fiscal year 1991 budget of approximately $5,264,400.

+$1,250,000 for a stormwater management demonstration project to preserve and protect ground water and surface water, including wetlands, from stormwater runoff. This project will use the Patuxent River basin and will be accomplished through planning, working with State and local governments, developers, and appropriate Federal agencies, to achieve improved environmental quality and transfer appropriate information and technology to other areas of the Nation. The project will be implemented through grants under section 104(b) of the Clean Water Act, which shall be matched with 50-percent cost sharing.

+$1,000,000 for wastewater operator training.

+$500,000 to the National Environmental Training Association and the Coalition of Environmental Training Centers for completing the development of training resources for the water regulations and compliance training 1990 project, to prepare State regulatory staff and local health officials to meet the responsibilities mandated by the Safe Drinking Water Act Amendments.

+$4,000,000 for the Great Lakes National Program Office.

+$500,000 for lake water quality activities by the State of New Jersey, including such activities at Lake Hopatcong, Swartswood Lake, and Musconetcong Lake, and other lakes the State deems appropriate. This sum should be in addition to, and not in lieu of, any other Federal assistance.

+$500,000 to develop and establish a comprehensive management plan for the restoration and cleanup of Lake Pontchartrain, in conjunction with the Lake Pontchartrain Basin Foundation and other appropriate Federal, State, and local agencies, to include identifying sources of funding for cleanup work and setting goals for the degree of cleanup to be accomplished.

+$83,000, under the Clean Lakes Demonstration Program, for Lake Alcyon in New Jersey. This sum should be in addition to, not in lieu of, any other Federal assistance.

+$1,000,000 for the Small Flows Clearinghouse, as provided by the House. The National Small Flows Clearinghouse at West Virginia University in Morgantown, WV, was established to collect and disseminate information on wastewater treatment and collection systems appropriate for use in small communities and rural areas. In the United States, there are over 30,000 communities with populations of less than 5,000. The clearinghouse, which first received funding in fiscal year 1987, provides basic information services to such small communities in a program that is closely integrated with related activities conducted by EPA.

+$1,000,000 for the EPA National Training Center at West Virginia University, as provided by the House. Last year the Committee provided $350,000 to initiate the establishment of the National Training Center Program to aid small rural communities to comply with drinking water, wastewater, and solid waste disposal regulations and to develop the capabilities for securing the necessary equipment and financing for the operation of waste and water systems. The program will be targeted to State extension offices and similar organizations to improve their competence in working with these communities. The Committee supports the center's goal of developing instructional materials on small flows topics, specifically site evaluation for onsite systems, and development of advanced onsite systems. These materials are critical to helping thousands of small communities who do not have sewers and need to effectively manage onsite septic tank systems.

+$4,000,000 for pollution prevention grants. The Committee urges EPA to give every consideration to providing a grant to the integrated pollution prevention initiative at New Jersey Institute of Technology for a waste management technical assistance program.

+$250,000 to the State of New Jersey to perform studies, analyses, and demonstration projects designed to enhance the technical and economic efficiencies of community programs for source separating and collecting recyclable commodities from households, businesses, and government institutions. These studies, analyses, and projects may include the evaluation of methods for integrating source reduction techniques with recycling programs, design of public education programs to increase participation and commodity quality, relative efficiencies of alternative collection systems, tradeoffs between curbside source separation and centralized recovery systems, quality control concerns for specific commodities, and methods for identifying new materials to be added to existing collection programs.

+$2,700,000 for drinking water training and technical assistance provided by the National Rural Water Association, in addition to the $1,000,000 requested by the administration, for a total of $3,700,000. This is an increase of $400,000 over the current level of support for this program.

+$750,000 for the Rural Community Assistance Program to aid rural communities in complying with drinking water requirements, in lieu of $500,000 as provided by the House.

+$1,000,000 for the Spokane Aquifer.

+$1,500,000 for the Lake Onondaga management conference.

+$500,000 for EPA's water conservation task force, as provided by the House. The task force's activities should include, but not be limited to: identifying and implementing policies and actions to incorporate water efficiency into existing EPA programs and policies; developing tools and providing information and assistance to encourage cost-effective public and private sector water efficiency techniques; investigating ways to include water-efficient equipment in Federal procurement procedures; and studying ways EPA can be more effective in promoting water efficiency to consumers, industries, and municipalities.

+$3,200,000 for the title III Community Right-to-Know Program, including continuation of last year's funding assistance for State efforts to carry out title III, which, as the Committee indicated last year, should be provided pursuant to section 28 of the Toxic Substances Control Act.

+$4,000,000 for lead-based paint studies and support, including $1,500,000 for grants to organizations including universities and joint labor-management trust funds for education and training programs for workers involved in lead-based paint abatement. The Committee recognizes that lead-based paint poses a threat to workers engaged in lead abatement and removal as well as the public at large. Numerous scientific studies have demonstrated that improper lead abatement work poses a serious health risk to workers. The establishment of a training grant program will provide the necessary resources in order to create a skilled lead abatement work force.

+$2,500,000 for a pollution tracer study at the Mohave Powerplant. The Committee understands that results from this study will be used to assess the plant's contribution to visibility impairment in the Grand Canyon National Park.

+$250,000 to address interstate ozone nonattainment, acid deposition, and visibility problems in the Northeast.

+$600,000 for the continuation of a cooperative study on high-risk pollution in the Baton Rouge/New Orleans corridor, as provided by the House.

+$275,000 for the Lake Pontchartrain Basin Foundation to implement a coordinating process of State, local, and Federal agency activities in the Lake Pontchartrain basin and to design, construct, and operate a pilot system for treating stormwater runoff with created wetlands and retention ponds in Lake Pontchartrain.

+$1,000,000 for a scrap tire recyling demonstration program in New Jersey, where the problem of scrap automobile and truck tires is acute. The Committee urges the Agency to garner participation of all levels of government, industry, and the public in this demonstration project, and to include a national evaluation of the outcome.

+$1,500,000 for the 24 tribes and tribal organizations in Washington State to establish a model tribal program to continue coordinated and cooperative environmental protection approaches, in lieu of $500,000 provided by the House.

+$200,000 for a water quality study by the National Academy of Sciences. The Committee finds that the pollution of surface water and ground water from agricultural production is a serious impediment to meeting the Nation's water quality goals. Therefore, the Committee directs EPA, through the Assistant Administrator for Policy, Planning, and Evaluation, to contract with the National Academy of Sciences to support an ongoing 2-year study that will assemble and assess all available data on the pollution of the Nation's surface water and ground water by sediment, nutrients, pesticides, and salts to determine: the importance of agriculture as a source of these pollutants; what agricultural practices are responsible for pollution of surface water and ground water; the extent to which agricultural pollution of surface water and ground water can be ameliorated through improved efficiency in the use of agrichemicals; and the obstacles to the achievement of greater input use efficiency.

As part of the study, a data base will be established to correlate at the national, regional, and county level, the relationship between fertilizer and pesticide use, tillage practices, crops grown, program participation, and ground and surface water pollution and soil erosion. This data base will be a valuable tool for EPA in its efforts to more effectively manage agrichemical use and prevent water contamination. The Academy will present the report to EPA within 24 months of initiation of the project.

The Committee is concerned that the Agency has not placed a greater priority on the development of radiation protection criteria which are essential for the cleanup of radioactively contaminated Federal and privately owned facilities throughout the country. The Committee directs the Administrator to promulgate by September 30, 1991, final guidance or standards for the cleanup of transuranic element contamination in soils and buildings, and, by September 30, 1993, final guidance for cleanup of all forms of radioactivity contamination in soils and buildings. The Committee directs the Agency to address this important issue with expediency, and to report annually to the Congress on the progress of this effort.

The Committee is highly supportive of the Agency's wetlands protection program. The Committee notes that the President's budget includes a large increase in staffing for the wetlands program, in order to support the President's goal of no net loss of wetlands. The Committee directs the Agency to provide as close as possible to the full budget requested by the administration for staff for the regions to support the wetlands protection program.

Under the "Construction grants" account, the Committee has provided $16,500,000 for the new Water Quality Cooperative Agreement Program, the same amount requested by the administration. Therefore, the "Abatement, control, and compliance" account is reduced by $16,500,000. Because these grants are intended largely to replace set-asides formerly provided through title II of the Construction Grants Program, which ended in 1990, the Committee believes it is appropriate to fund this program under the "Construction grants" account, rather than under the "Abatement, control, and compliance" account. The Committee notes that it does not expect this to have any serious programmatic impact.

The Committee has reduced the budget request for pesticides transportation, storage, and disposal by $4,000,000. The Committee understands that EPA has not been able to expend $13,363,000 of the $41,350,000 available in fiscal year 1989 for the disposal of dinoseb and silvex due to the termination of disposal contracts. The Committee notes that the budget for pesticides transportation, storage, and disposal in fiscal year 1990 is $13,612,000. EPA estimates it will expend $680,300 of the 1990 appropriation in that fiscal year. Therefore, the Agency can carry into fiscal year 1991 $12,931,700 for pesticide transportation, storage, and disposal costs. It is the Committee's position that an additional appropriation will not be required in fiscal year 1991.

The Committee has taken a general reduction of $6,000,000, to be taken at the discretion of the Administrator.

The Committee has provided $82,500,000 as requested by the President for the implementation of amendments to the Clean Air Act. The Committee notes that a minimum of $245,000,000 above the President's request may be required in the first year to begin implementing the new legislation. While the Committee is highly supportive of this legislation, it is unable to provide funds above the President's request due to severe budget constraints. Given the administration's strong commitment to this legislation, the Committee expects the administration to request a supplemental appropriation to pay for unfunded activities. When the Committee receives this request for additional funding, it will review it as expeditiously as possible.

The Committee has not included $1,000,000 for a ground water protection program to be conducted by the National Rural Water Association because of its concern that the association has not developed a clear strategy for the use of these funds. The Committee would be willing to revisit this issue in conference with the House if it can be convinced that the association has developed a comprehensive strategy that is consistent with provisions of the Safe Drinking Water Act which provide for technical assistance to small communities to protect the quality of their underground sources of drinking water. The strategy should be exclusively geared toward aiding economically depressed rural areas of the country.

The Committee is highly supportive of EPA's National Estuary Program. The Committee notes that several new projects have been added to the program, including Tampa Bay, Indian River Lagoon, Casco Bay, Barataria-Terrebonne Bay, and Massachusetts Bay. While the Committee is enthusiastic about these new projects, it is concerned that existing projects may be underfunded, since the administration has not requested an increased budget for the program. Therefore, the Committee directs EPA to provide adequate funds to cover the costs of the newly designated bays entering the second phase, and to fully fund current projects, such as Galveston Bay and Long Island Sound. The Committee notes that the Long Island Sound study is in its fifth and final year, and has been one of the most successful management conferences of the National Estuary Program.

The Committee directs EPA to provide a $150,000 grant under the section 105 program to continue Colorado's high-altitude emission testing program for in-use vehicles. Testing is necessary to determine if vehicles in high-elevation cities like Denver, Albuquerque, and Salt Lake City are meeting the emission standards established for carbon monoxide. The Committee notes that the program has been very successful, resulting in five potential recalls from the first 14 classes of automobiles tested. In addition, the program has resulted in increased voluntary manufacturer testing and standards.

The Committee has earmarked $100,000 for training minority and women contractors in radon mitigation.

Last year, the Committee urged the Agency to consider an integrated, multistatute framework for regulation of the wood preserving industry. This year, the Committee again strongly recommends that such an approach be given serious consideration in line with the intent of section 1006(b) of the Resource Conservation and Recovery Act.

An integrated multistatute framework is defined as a regulatory program which would utilize each of the following statutes in a prescribed manner to regulate the wood preserving process efficiently and with no compromise of protection of human health and the environment. It would also address the Agency's goal of pollution prevention.

The Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] regulates: (1) the pesticide application process; (2) pesticide use; (3) consumer product handling/disposal information.

The Resource Conservation and Recovery Act [RCRA] regulates: (1) the management of listed and characteristic hazardous wastes, including, among other things, closure of hazardous waste management units and ground water remediation; and (2) solid waste management unit corrective action at sites with permits for hazardous waste management.

The Clean Water Act [CWA] regulates discharges of pollutants to waters of the United States (including publicly owned treatment works that discharge to such waters).

The Comprehensive Environmental Response, Compensation, and Liability Act [CERCLA/Superfund] provides an additional means (in addition to RCRA) to remediate contamination due to past practices and/or releases of hazardous substances.

The Committee is aware of the Agency's need for specific resources to implement and enforce this integrated multistatute approach. The Committee, therefore, recommends that $1,220,000 be allocated as follows: (1) $570,000 to review and promulgate revised effluent guidelines under the Clean Water Act (33 U.S.C., section 1314) that are currently applicable to the wood preserving industry to address toxic constituent levels that may be present in direct and/or indirect discharges of pretreated process waters; (2) $150,000 to expedite the review of FIFRA label changes that would mandate containment, collection, and reuse of excess pesticide in the process area of a wood preserving facility under FIFRA (7 U.S.C., sections 136 (a), (d), (g)); and (3) $500,000 to enforce inspection of wood preserving facilities to ensure that they comply with the label changes that would mandate containment, collection, and reuse of excess pesticide in the process area of a wood preserving facility under FIFRA (7 U.S.C., sections 136 (g) and (j)).

The Committee also directs the Agency to prepare a report on the potential advantages, costs, and risks associated with adopting the proposed integrated multistatute approach for the wood preserving industry, to be submitted by March 15, 1991.

The Committee notes that EPA announced on September 21, 1990, that, "Based on a preliminary assessment of the limited data now available, EPA does not believe the levels of procymidone detected in imported wines pose a health risk." Therefore, the Committee directs that EPA work with the Food and Drug Administration with deliberate speed to develop a realistic residue enforcement level while EPA completes its final review.

The Committee wishes to emphasize its support for language included in the House Committee report recognizing the potential for national water quality benefits from reconstructed wetlands. The Committee notes that the East Bay Dischargers Authority [EBDA] currently discharges treated water through the Hayward Marsh into San Francisco Bay. The marsh further cleans the effluent beyond secondary treatment. The Committee urges EPA to consider providing support to the East Bay Dischargers Authority for a comprehensive study to document the beneficial effects of discharging through a marsh, focusing on water quality, the fate of residual pollutants in the marsh, and how other communities can benefit from the lessons EBDA has learned.

The Committee recognizes that there is a significant need for planning and cross-media training, to prepare State regulatory officials to recognize multimedia pollution prevention opportunities, and to integrate pollution prevention activities into local, State, and Federal environmental programs. The Committee wishes to make clear its intent that funds appropriated in fiscal year 1990, targeted to hazardous waste minimization and State training action plans to institutionalize technical assistance and training resources, should be used to reformulate the RCRA integrated training and technical assistance initiative in order to implement it in the broader context of pollution prevention.

The Committee understands that EPA plans to develop community-based strategies for the primary prevention of childhood lead poisoning under a pollution prevention grant or grants to appropriate national nonprofit organizations. Given the high medical costs of treating lead-poisoned children, such a shift in emphasis to primary prevention has obvious benefits. The Committee notes that local lead-poisoning screening and tracking programs will be overwhelmed by the caseload increases resulting from the Centers for Disease Control's [CDC] upcoming reduction in the threshold for childhood lead poisoning. Therefore, the Committee urges the Administrator to expedite the initiation of this important effort through the pollution prevention program.

The Committee urges EPA to consider providing assistance to the National Environmental Training Association for pilot projects to demonstrate and evaluate, in the context of an integrated compliance strategy, methods to develop local capabilities to conduct water supply system comprehensive performance evaluations to assist small communities in achieving compliance with the Safe Drinking Water Act Amendments.

The Committee notes its support for the Southern Partnership for Managing Waste, a project managed by the Agency under its public-private partnerships initiative. This project is a regional coalition of public and private entities providing financial, technical, and legal assistance to communities on solid waste issues. This partnership includes 16 contiguous southern States, and will attempt to develop waste disposal solutions. The Committee urges the Agency to provide such sums as necessary to proceed with this project. The Committee understands that $145,000 is a reasonable estimate for fiscal year 1991.

The Committee notes that EPA's Spill Prevention, Control and Countermeasures [SPCC] Program is a proven, cost-effective initiative which uses regulations, site-specific prevention plans, and inspections to prevent oil and chemical spills from land-based storage facilities. These facilities, which number about 650,000 nationwide, cause spills on land and in water. For example, in the Great Lakes region, approximately 50,000 covered facilities have caused 75 percent or more of the approximately 500 spills that enter Great Lakes waters each year. Virtually all major spills in the Great Lakes have been caused by these facilities. In New Jersey, an above ground tank spill of roughly 300,000 gallons occurred in September 1990.

Despite its effectiveness in preventing such spills, the SPCC Program suffered from major cutbacks during the 1980's, with inspections falling from a high of about 3,500 in 1976 to a low of about 1,000 in 1988. These reductions were followed by increased spills at the covered facilities. To restore the program, a 1988 report by EPA recommended issuing stronger SPCC regulations and increasing inspections nationwide to a level of 6,500. While these regulations have been drafted and inspections increased, EPA has not finalized the regulations nor performed inspections at the recommended level.

In 1989, this Committee expressed deep concern about the delay in issuing the SPCC regulations, and EPA was urged to increase inspections to 6,500; 1 year later, these same criticisms apply. Due to the importance of spill prevention, the program's cost effectiveness and the numerous spills caused by the covered facilities, the Committee directs EPA to promulgate the revised SPCC regulations as soon as possible but no later than the end of fiscal year 1991; allocate sufficient funds internally to permit the performance of 6,500 SPCC inspections in fiscal year 1992; and provide a written report to the Committee by September 30, 1991, on the status of the SPCC Program and on the steps that will be taken next to strengthen it.

The Committee has included bill language permitting EPA to award a limited number of short-term, integrated, multimedia demonstration grants to Indian tribes in fiscal year 1991 to help build the capacity of Indian tribes to manage their own environmental programs. The Committee has included this language in view of the fact that many tribes have significant need for assistance to abate environmental problems, but do not have the resources to apply, account, and manage several grants at once. The multimedia grants will provide a less cumbersome means for the tribes to receive Federal assistance.

The Committee urges the Office of International Activities to provide seed money for the Circumpolar Environmental Management Institute at the University of Alaska. This institute would provide polar region environmental management training to both private and public sector managers from the circumpolar countries and Alaska.

The Committee understands that EPA currently classifies dried hop as a processed agricultural commodity rather than a raw commodity, and that hop in its raw form, has no utility. The Committee is concerned that such classification may be inconsistent in that many other similar commodities which are consumed in their dried form, such as rice, tobacco, wheat, rye, and barley are not classified as processed. Accordingly, the Committee urges EPA to review its classification of hop and to address this inconsistency under current EPA practices.

The Committee does not concur with the following additions made by the House to the budget request: $1,000,000 for the Rouge River nonpoint source control demonstration; $100,000 for public improvements to upgrade shoreside facilities for homeporting the *Great Lakes Research* vessel at Bay City, MI; $8,700,000 for the lease/purchase of a dedicated class VII supercomputer; $1,000,000 for planning and site acquisition for a new EPA center for ecology research and training at Bay City, MI; $1,000,000 for controlling erosion and sedimentation of ground water in the Great Lakes basin; $2,000,000 for oilspill research; $1,000,000 for the National Rural Water Association's ground water protection program; $8,000,000 for the Clean Lakes program; $2,000,000 for academic training; $500,000 for the study of a San Francisco Bay area oceans disposal site; $2,750,000 for the Chicago air quality model; $575,000 for a waste management testing training program at St. Vincent College, Latrobe, PA; $125,000 for a pesticide, herbicide identification and warning pilot program in conjunction with Michigan State University; $75,000 for the Sacramento air quality modeling study; $800,000 for the cleanup of contaminated sediments in the Buffalo River; $200,000 for a southwest Arkansas/southeast Oklahoma Millwood basin water quality study; $250,000 for the Canaan Valley wetlands complex; and $250,000 for the South Coast Air Quality Management District's alternative fuel options demonstration project.

The Committee has not included bill language proposed by the administration related to the licensing fund or the environmental services fund. Further, the Committee has not included language requested by the administration permitting the Agency to use abatement, control, and compliance funds for facility construction and repairs.

BUILDINGS AND FACILITIES

Appropriations, 1990	$14,652,000
Budget estimate, 1991	13,000,000
House allowance	34,000,000
Committee recommendation	19,000,000

PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary repairs and improvements to existing installations which are used by the Agency. This appropriation also covers new construction projects when appropriate.

COMMITTEE RECOMMENDATION

The Committee has recommended $19,000,000 for buildings and facilities, an increase of $6,000,000 above the budget request and $15,000,000 less than the House allowance.

The Committee has provided $6,000,000 for the design and engineering of the Christopher Columbus Center of Marine Research and Exploration in Baltimore, an international center of marine research and education dedicated to state-of-the-art science and exhibition, particularly in the area of marine biotechnology. The project will involve local, State, and the Federal governments, as well as universities and private enterprises.

The Committee has deleted $21,000,000 added by the House for the purchase of the Ann Arbor Motor Vehicle Emissions Laboratory and for the construction of a cold weather emissions testing facility and other facilities including additional office space.

The Committee supports research and development of innovative hazardous waste treatment technologies. The Congress for fiscal year 1988 appropriated $5,600,000 for the design and renovation of a Superfund laboratory at Edison, NJ to test and evaluate innovative technologies. Recently, representatives of the regional office of the EPA have suggested that an additional $8,000,000 would be needed to construct and complete the project. No formal administration request has been made, however. This raises serious questions about the overall scope and design of the project. Moreover, the EPA has failed to satisfy environmental concerns of local officials and to secure the support of the State. Until such time as the agency prepares a formal plan for the project and secures local and State cooperation, the Committee has serious reservations about proceeding with the expenditure of the appropriated funds. Consequently, the Committee has included bill language restricting the expenditure of funds for the project.

HAZARDOUS SUBSTANCE SUPERFUND

Appropriations, 1990	$1,530,228,000
Budget estimate, 1991	1,740,000,000
House allowance	1,610,200,000
Committee recommendation	1,616,228,000

PROGRAM DESCRIPTION

On October 17, 1986, Congress amended the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] through the Superfund Amendments and Reauthorization Act of 1986 [SARA]. SARA reauthorized and expanded the Hazardous Substance Superfund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially responsible party can be found; (4) take enforcement actions to require responsible private parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for cleanup.

COMMITTEE RECOMMENDATION

The Committee has provided $1,616,228,000 for the hazardous substance Superfund. This is an increase of $6,028,000 over the House allowance and $86,000,000 over the fiscal year 1990 level. Of the total appropriation, $860,900,000 is from general revenues and the balance is to be derived from the trust fund.

The Committee notes that the provisions of the Superfund Amendments and Reauthorization Act [SARA] of 1986 authorize for appropriation $8,500,000,000 from 1987 through 1991, including $1,250,000,000 in general revenues. These resources were authorized to assure that one of the country's most severe environmental problems is addressed fairly, quickly, and with certainty by both industry, through dedicated taxes, and the Federal Government, through general revenues. It is with this commitment in mind that the Committee supports the use of the full authorization for appropriation provided in this legislation. Additionally, the Committee is concerned about the upcoming expiration of SARA taxing authority and resulting reauthorization discussions. Use of existing authority for appropriating general revenues in 1991 is essential so that taxes, cost recoveries and interest revenues are available in 1992 to assure the stability of this program. Therefore, the Committee has taken action to appropriate to the Hazardous Substance Superfund Trust Fund, the $860,900,000 remaining general revenue share authorized by section 517(b) of SARA.

The Committee is highly supportive of EPA's effort to place a greater emphasis on enforcement activities in the Superfund Program in order to induce private party cleanups. The Committee notes that responsible parties contributed more than $1,000,000,000 to site cleanups in fiscal year 1989, compared to about $575,000,000 in 1988 and only $175,000,000 in 1987. With a greater emphasis on enforcement, this number will continue to rise, thereby enabling EPA to leverage its total Superfund budget to a greater degree. With this in mind, the Committee believes that the budget it has approved for Superfund will provide an adequate level of support.

The Committee notes that in the fiscal year 1990 VA, HUD, and Independent Agencies appropriations act, the Committee permanently raised the authorization of the Superfund Worker Training Program from $10,000,000 to $20,000,000. Consistent with this, the Committee has provided $20,000,000 for this training grant program, which is administered by the National Institute for Environmental Health Sciences. Recognizing that some 1.2 million American workers are engaged in toxic waste management and emergency response, and given the hazardous nature of this work, the Committee believes that this amount is justified. This is the same level as provided by the House.

The Committee concurs with the House in increasing the administration's request for the National Institute of Environmental Health Sciences university-based basic research and education program by $10,000,000, for a total of $21,915,000. This program provides grants for multiproject, interdisciplinary programs that provide a unique opportunity for scientists from many fields to work together to fill the large gaps in knowledge of environmental hazards and their effects on human health.

The Committee has provided an increase of $5,500,000 for the Agency for Toxic Substances and Disease Registry [ATSDR], in lieu of the House increase of $2,500,000, for a total of $50,000,000. ATSDR is responsible for assessing the linkages between hazardous substances and the public health impact.

The Committee recognizes that heavy metals contamination, particularly lead, in soils, wastepiles, and other areas, represents a significant continuing threat to public health and the environment in many of the western States. The Committee believes that Butte, MT, where one of the largest Superfund sites in the Nation is located, contaminated with lead, arsenic, cadmium, and other metals, presents an ideal environment for the review and testing of remedial technologies. The Committee believes that the resources that are already present at Butte—the College of Mineral Sciences and Engineering and the Department of Energy's MHD facility—can play a significant contributing role in pursuing needed emerging technologies. Therefore, the Committee has provided $3,500,000 to establish a pilot program in Butte to investigate and evaluate promising new technologies for the treatment of mining wastes. In establishing the program, the Committee directs EPA to collaborate with the Department of Energy's current program in Butte and with the Montana College of Mineral Science and Engineering.

The Committee concurs with the House in earmarking $5,000,000 for relocation assistance for residents and for the purchase of homes at the Koppers Texarkana Superfund site.

The Committee has earmarked $100,000 to provide technical and legal assistance to local governments which have been named as potentially responsible parties [PRP's] for Superfund sites in the State of Vermont. This project is to be conducted in cooperation with the Vermont Agency of Natural Resources and the Environmental Law Center at the Vermont Law School. The Committee recognizes that when a local government is named as a potentially responsible party, it must act as both PRP and Government entity responsible to serve and inform citizens. In small communities, a lack of financial resources, environmental expertise, and specialized legal advice compounds this problem. The purpose of the demonstration project is to determine if providing legal and environmental technical assistance to Superfund communities can improve the performance of the program and alleviate the frustration, uncertainty, and fear which exists within such communities.

The Committee has provided $495,000 for the Energy and Environmental Research Center at the University of North Dakota for the development of a new method to measure organic pollutants onsite to support the cleanup of hazardous waste sites and to provide information for emergency response. The new approach to sample preparation is to be based on supercritical fluid extraction.

The Committee has earmarked $300,000 in grants for training small, minority, and women contractors in emerging and expanding hazardous substance cleanup and removal, to be administered by the Office of Small and Disadvantaged Business Utilization.

The Committee does not concur with the following House earmarks: $400,000 to fund a cooperative study with the National Oceanic and Atmospheric Administration; and $2,000,000 for Clark Atlanta University to enhance the participation of minority scientists, engineers, and students in emergency environmental Superfund research areas.

The Committee is concerned with a recent inspector general's report which found that amounts due from Superfund cost recovery actions were not recorded in a timely manner, resulting in hundreds of thousands of dollars of lost interest to the Superfund trust fund. The Committee supports the inspector general's recommendations to establish administrative procedures and internal controls to correct deficiencies in this area. The Committee directs EPA to report by March 15, 1991, as to the improvements being made in this area and the progress being made to implement the inspector general's recommendations.

The Committee has included bill language directing EPA to pay up to $7,000 in interest payments to the city of New Brighton, MN. This action is related to EPA's reversal of its decision to fund a well replacement in this city. EPA will return the $49,000 non-Federal match to the city, and the language included in the bill will allow EPA to pay associated interest.

The Committee has included bill language, requested by the administration, allowing the Agency to retain cost recoveries from enforcement cases in excess of $135,000,000. This provides EPA with an additional incentive to enforce responsible parties to finance site cleanups. The House bill also provided this language.

The Committee has included bill language, as in the House, to limit administrative expenses to $233,000,000, an increase of $13,000,000 above the 1990 administrative ceiling.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

Appropriations, 1990	$74,097,000
Budget estimate, 1991	75,000,000
House allowance	75,000,000
Committee recommendation	65,000,000

PROGRAM DESCRIPTION

Subtitle I of the Solid Waste Disposal Act as amended by the Superfund Amendments and Reauthorization Act of 1986 [SARA] authorizes the establishment of a response program for cleanup of releases from leaking underground storage tanks that contain petroleum. Owners and operators of facilities with underground storage tanks have the initial responsibility for corrective action, and once regulations are phased in, must maintain evidence of financial responsibility. The leaking underground storage tank [LUST] trust fund provides supplemental corrective action capabilities and may also be used to enforce necessary corrective action and to recover costs expended from the fund. EPA implements the LUST response program primarily through cooperative agreements with the States.

COMMITTEE RECOMMENDATION

The Committee recommends a budget of $65,000,000 for the leaking underground storage tank trust fund, a reduction of $10,000,000 below the level proposed by the administration. The Committee has earmarked $100,000 in grants for the training of minority and women contractors in underground storage tank cleanup and management.

The Committee directs EPA to conduct a study of the progress being made by the owners and operators of underground petroleum tanks in meeting EPA's underground storage tank financial responsibility requirements. The Committee further directs EPA to submit a report to the Committee by February 1, 1991, summarizing EPA's findings, and discussing the actions EPA and other Federal and State agencies can take to assist underground petroleum tank owners to upgrade or replace, detect releases or clean up releases from their tanks in accordance with EPA requirements and to assist tank owners and operators to obtain affordable tank insurance sufficient to meet EPA's financial responsibility requirements. EPA shall review opportunities for Federal financial assistance, including the use of surplus funds in the LUST trust fund, to assist appropriate classes of tank owners in upgrading, replacing, detecting releases, or undertaking corrective actions with respect to their underground petroleum storage tanks. The report shall also include EPA's recommendations, if any, with respect to changing the deadlines for demonstrating financial responsibility, as well as any recommendations as to the appropriate level of financial responsibility insurance that should be demonstrated. This report shall also include appropriate recommendations to the Congress and the States for additional legislation. EPA shall not consider this reporting requirement to be a sense of the Congress that the EPA should alter any actions it might be considering to delay or not to delay any of the existing financial responsibility requirement deadlines.

CONSTRUCTION GRANTS/STATE REVOLVING LOAN FUNDS

Appropriations, 1990	$1,991,720,000
Budget estimate, 1991	1,600,000,000
House allowance	2,000,000,000
Committee recommendation	2,100,000,000

PROGRAM DESCRIPTION

The long-range goal of the construction grants program is to eliminate the municipal discharge of untreated or inadequately treated pollutants and thereby help restore or maintain the quality of the Nation's waters and protect the health and well-being of the people. This program provides grants to municipal and intermunicipal agencies to assist in financing the construction of cost-effective and environmentally sound municipal wastewater treatment facilities. In addition, the program provides funds to assist delegated States in carrying out their responsibilities to manage the construction grants program and to assist them in carrying out other water quality management programs.

The 1987 amendments authorized funds to foster the creation of State revolving fund [SRF] programs to provide below-market interest rate loans and other forms of nongrant assistance to communities for the construction of wastewater treatment facilities. Capitalization grants may be awarded by EPA to States with EPA-approved SRF programs, beginning in fiscal year 1987. Ultimately (by fiscal year 1991), the SRF program will completely replace the construction grants program.

Section 603(d) authorizes States to utilize up to 4 percent of their SRF capitalization grant to administer their SRF program. Section 604(b) requires States to reserve up to 1 percent (with a minimum of $100,000) of the SRF allocation for water quality planning activities. However, the other set-asides and national reserves that apply to title II construction grant funds apply to title VI SRF funds.

COMMITTEE RECOMMENDATION

The Committee has provided $2,100,000,000 for the State Revolving Loan Fund Program. This is an increase of $500,000,000 over the administration's request, $100,000,000 over the House allowance, and $108,280,000 above the current budget.

The Committee has not provided the administration's request for $15,700,000 for an international sewage treatment project to treat sewage from Tijuana, Mexico. While the Committee is aware of the merits of the project, it is the Committee's position that construction grants funds should not be earmarked for special projects. Such earmarks lessen the total amount available to other projects which vie for funds on a competitive basis. In keeping with this position, the Committee does not concur with the House earmark of $20,000,000 for Boston Harbor.

The Committee has included bill language authorizing EPA to provide $16,500,000 for the new Water Quality Cooperative Agreement Program, the same amount requested by the administration. Because these grants are intended largely to replace set-asides formerly provided through title II of the Construction Grants Program, which ended in 1990, the Committee believes it is appropriate to fund this program under the "Construction grants" account, rather than under the "Abatement, control, and compliance" account. The Committee notes that this will have no programmatic impact.

Bill language has been included, as in the House, to prevent EPA from collecting a previously approved portion of a grant to the Delavan Lake Sanitary District. The Committee understands that the Delavan Lake Sanitary District relied upon the fact that its grant documents included the costs for lateral connections and risers, which EPA later decided were ineligible for grant funding, and that to require the district to repay these items would impose an economic hardship. The Committee wishes to make clear that the bill language is intended to entitle Delavan Lake to retain all grant funds but is not intended to establish new administrative precedents for grant eligibility.

The Committee has deleted bill language included by the House relaxing the requirements of sections 602(b)(6) and 201(g)(1) of the Water Pollution Control Act. The Committee believes this issue would be more appropriately dealt with by the authorizing committees.

ADMINISTRATIVE PROVISIONS

The Committee has included bill language, as in the House, requiring EPA to establish a goal of at least 8 percent of the total value of prime and subcontracts for minority and women-owned business.

The Committee has included bill language, as in the House, earmarking selected headquarters staff by office. The Committee has made several technical changes to language in the House-passed bill.

The Committee understands that 13 years after the sanitation districts of Los Angeles County submitted their first application to EPA for a 301(h) waiver, EPA has yet to issue a final decision. Bill language has been included, therefore, requiring EPA to make a final decision on this application by November 30, 1990.

Finally, the Committee directs the Agency to report on a quarterly basis on the status of all congressional initiatives.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Appropriations, 1990	$1,465,000
Budget estimate, 1991	2,780,000
House allowance	2,780,000
Committee recommendation	1,465,000

PROGRAM DESCRIPTION

The Council on Environmental Quality/Office of Environmental Quality was established by the National Environmental Policy Act and the Environmental Quality Improvement Act of 1970, and is located within the Executive Office of the President. The Council's principle responsibility is to advise the President on national and international policies to foster and promote environmental quality and protection. Other major objectives of the Council include collecting and analyzing information on conditions and trends in the national and global environment in order to assist the President in preparation of the annual environmental quality report; coordinating activities of the Federal departments and agencies which affect, protect, and improve environmental quality; fostering cooperation between the Federal and local governments, the private sector, and the environmental community; identifying emerging environmental problems and assisting in developing long-term solutions to those problems through pollution prevention and environmental education and overseeing Federal agency implementation of the environmental impact assessment process and mediating interagency disputes regarding those assessments. The Council also serves as Executive Secretary for the Interagency Task Force on Acid Precipitation.

COMMITTEE RECOMMENDATION

The Committee has recommended a budget of $1,465,000 for the activities of the Council on Environmental Quality [CEQ] and the Office of Environmental Quality.

The Committee is concerned that the Council has not taken a more active role in the formation of environmental policy in the new administration, despite assurances by the administration that the Council would be reinvigorated and its role would be enhanced. For this reason, the Committee has not provided any increase over the current budget. Furthermore, the Committee does not believe the Council's proposal to increase its staff by 70 percent is justified, particularly in light of the fact that staffing doubled between fiscal years 1989 and 1990.

The Committee has not approved the administration's request for $500,000 for an environmental awards program. The Committee notes that this program is not yet authorized, and further, the criteria for the program have yet to be developed. The Committee also notes that the Environmental Protection Agency is in the process of formulating a policy with respect to environmental education.

Until this policy is established, the Committee believes it would be inappropriate to fund this new initiative.

The Committee directs the Council to prepare a strategic plan for the environment, including how it will improve coordination with the myriad of Federal agencies involved in environmental protection. This report is due to the Committee by January 4, 1991.

The Committee is encouraged by improvements in the Council's ability to produce its annual environmental quality report in a timely manner. The Committee wishes to underscore its concern that this report be issued expeditiously each year in a manner that is useful to the Congress. The Committee urges CEQ to incorporate into this report its strategic plan for the environment.

The Committee has not included bill language requested by the administration to increase representation expenses from $500 to $2,000.

NATIONAL SPACE COUNCIL

Appropriations, 1990	$983,000
Budget estimate, 1991	1,363,000
House allowance	1,000,000
Committee recommendation	1,363,000

PROGRAM DESCRIPTION

The National Space Council was reestablished by section 501 of Public Law 100-685. Its primary function is to provide advice and assistance to the President on national space policy and strategy. The Council has been directed by the President to review U.S. Government space policy, including long-range goals, and develop a strategy for national space activities. The Council will also develop recommendations for the President on space policy and space-related issues and will encourage cooperation and exchange among the civil, national security, and commercial space sectors. In addition, it will monitor and coordinate implementation of the President's national space policy by executive departments and agencies, and will resolve differences concerning major space and space-related policy issues. The Council is composed of the Vice President as Chairman, the Secretaries of State, Treasury, Defense, Commerce, Transportation, and Energy, the Director of the Office of Management and Budget, the Chief of Staff to the President, the Assistant to the President for National Security Affairs, the Assistant to the President for Science and Technology, the Director of Central Intelligence, and the Administrator of the National Aeronautics and Space Administration.

COMMITTEE RECOMMENDATION

The Committee recommends $1,363,000 for the National Space Council. This amount is the same as the administration's request, $363,000 more than the House allowance, and $380,000 more than the fiscal year 1990 appropriation.

The Committee expects by January 31, 1991, a progress report on the Council's review of the Nation's space policy, its strategy for national space activities, specific recommendations to the President on space policy and related issues, and the status of its efforts to coordinate the implementation of space policy by the executive departments and agencies.

The Committee is concerned about the ability of the United States to service polar-orbiting satellites launched from the west coast. Since this requirement may affect both civilian and national security payloads, the Committee directs the Council to prepare a report that outlines options, cost estimates, Agency roles, and recommendations for addressing this problem. The report should be submitted to the Committee by April 1, 1991.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriations, 1990	$2,829,000
Budget estimate, 1991	3,300,000
House allowance	3,300,000
Committee recommendation	3,560,000

PROGRAM DESCRIPTION

The Office of Science and Technology Policy [OSTP] was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–282) and provides advice to the President concerning policies in science and technology and on the utilization of science and technology in addressing important national problems. OSTP also supports other organizations within the Executive Office of the President with regard to issues involving science and technology considerations; reviews and analyzes the research and development budgets and programs of the Federal Government, in concert with the Office of Management and Budget; coordinates research and development programs of the Federal Government; and fulfills other obligations, duties, functions, and activities mandated by the National Science and Technology Policy, Organization, and Priorities Act of 1976.

OSTP chairs and provides both administrative and fiscal support for the President's Council of Advisors on Science and Technology [PCAST].

COMMITTEE RECOMMENDATION

The Committee recommends $3,560,000 for the Office of Science and Technology Policy [OSTP]. This amount is $260,000 more than the administration's request and the House allowance, and an increase of $731,000 above the fiscal year 1990 appropriation.

The Committee directs the OSTP to report by January 31, 1991, its recommendations for simplifying and institutionalizing the responsibilities (currently shared with CEQ) for focusing and coordinating the R&D agencies' global climate change programs.

The Committee directs the OSTP with NSF to report as part of its 1992 budget request its recommendations for stimulating specific civilian R&D sectors, ranked by priority within the overall Federal budget request, that will make real contributions to the Nation's economic competitiveness. For supercomputers and bioengineering, which the OSTP has identified as high-priority sectors, the report should describe the administration's approach to help strengthen U.S. economic interests in both areas, and how efforts in both areas will enhance U.S. civilian research capabilities. Also, the OSTP shall identify the top 20 civilian science projects in the Federal budget, ranked according to the administration's priority, and show their life-cycle cost projections.

The Committee is deeply concerned about the tremendous need for funds for the modernization and rehabilitation of the Nation's academic research facilities. The 1986 Bromley-Packard report, done at the request of the OSTP, estimated that the current backlog of facilities' modernization needs, just for those institutions of higher education dealing with the National Science Foundation, was a staggering $10,000,000,000, and that a $500,000,000 a year Federal investment, matched by an equal amount from non-Federal sources, was need to reduce this shortfall over the next decade. Unfortunately, this 1986 report, whose results have since been confirmed by additional studies by the National Science Foundation, has not led to the development of a Federal strategy on academic research facilities. Only the National Science Foundation, with a modest $20,000,000 a year program, has attempted to address this glaring deficiency in higher education. As a result, the Committee directs OSTP to develop a policy on academic research facilities modernization that includes all Federal research and development agencies and a 5-year funding projection of the Federal contribution to this effort. This interagency policy should be submitted to the Committee by April 1, 1991, and its funding profile should be clearly identified in the fiscal year 1992 budget submission for all agencies.

The Committee applauds the establishment of the Federal Coordinating Council on Science, Engineering, and Technology [FCCSET] interagency Committee on Science Education and Human Resources. The Committee requests that this FCCSET committee prepare and submit a strategy document with its 1992 budget request that will describe how the President intends the Nation will achieve the objective that by the year 2000, U.S. students will be first in the world in science and mathematics achievements. The Committee expects that the report will be modeled after the strategy document prepared by the FCCSET Committee on Earth Sciences, and it shall include measurable objectives supporting the national goals.

In addition, it shall include a multilevel priority-setting framework that will focus, integrate, and where necessary, reassign agency roles and responsibilities, along with the requisite program development and budget proposals. The Committee requests that this report specifically include milestones and assessment methods that will be used to chart the Nation's progress in meeting the objectives. The OSTP should provide a draft report to the Committee by November 30, 1990.

The Committee directs the OSTP to guide the mission agencies in establishing and restructuring their offices of education to support science and mathematics education and to make the agencies fully responsive to the FCCSET Education Committee's plan. Also, OSTP shall ensure that each agency's office of education has programs directed at student and teacher segments from K through graduate school.

The Committee strongly encourages efforts within the Federal Government to strengthen the educational activities of Federal research laboratories. Further, the Committee believes that the OSTP should require all Federal agencies with research and development activities to establish education offices at each particular Federal laboratory under its control. The goal of such an effort is to improve internal Federal agency science, mathematics and engineering education programs, as well as foster education partnerships between various Federal labs and schools and academic institutions which are located near them. The Committee notes there is a need to coordinate and disseminate information on these programs among the various Federal mission agencies, as well as between the National Science Foundation [NSF] and the Department of Education. Therefore, the Committee directs OSTP to work with the NSF, the Department of Education, and Federal mission agencies to coordinate agency efforts to improve math, science, and engineering education, particularly in the area of developing laboratory education partnerships. The OSTP shall report the status of this effort and the agencies' funding needs for this activity to the Committee by March 15, 1991.

Last year the Congress authorized funds for OSTP to establish the national critical technologies panel, and a Critical Technologies Institute, a federally funded research and development center under the OSTP, to support it. The Congress took this step in the belief that there was a need for the Federal Government to help focus the Nation's efforts in developing precompetitive technologies to support our knowledge-based economy, without picking winners and losers in the marketplace. The Committee notes its strong support for this investment, and directs the OSTP to move forward in establishing the Critical Technologies Institute, and to report to the Committee on its efforts in this area by February 1, 1991.

The Committee is aware that a recent study by the National Academy of Sciences Council strongly endorsed the U.S. Global Change Research Program [USGCRP]. At the same time, the Academy's review raised concerns about the program which are shared by the Committee. The Committee directs the OSTP to respond to the review by February 1, 1991, with an emphasis on providing stronger program management to: (a) use extramural advisory expert panels for defining and evaluating the USGCRP's various programs and the products they are designed to develop; (b) focus agencies to produce research results specifically agreed upon by the USGCRP interagency committee; (c) assure greater interagency cooperation; (d) broaden involvement at the project level by the academic community, local, and State governments, and other nations; and (e) schedule and report interim assessments of the USGCRP in public forums.

Despite the Committee's strong support for the current global climate research program, the Committee believes that additional global climate policy action needs to take place. In that light, the Committee directs the OSTP to submit to it a report by March 1, 1991, that addresses several key issues. First, what the OSTP considers to be the maximum concentration of greenhouse gases which is acceptable, and the date by which those concentrations will be reached and stabilized. Second, what is the U.S. contribution to the concentration of greenhouse gases, and what specific policy measures does the administration intend to propose that would reduce levels of emissions consistent with the levels of concentration which they expect to occur. Third, what is the administration's decisionmaking process on the greenhouse issue, what are the steps which the administration has already taken to reduce emissions and what quantifiable reductions have taken place, and how is responsibility for the control of greenhouse gases divided among Federal agencies. Finally, what is the administration's plan, if any, for achieving an international consensus on the proper strategy for coping with the potential of the greenhouse effect, and what is the timetable, if any, for implementation of that strategy.

POINTS OF LIGHT INITIATIVE FOUNDATION

Appropriations, 1990	
Budget estimate, 1991	
House allowance	
Committee recommendation	$5,000,000

PROGRAM DESCRIPTION

The Foundation is a Government, nonprofit corporation within the Executive Office of the President, which will receive grants from the private sector and departments and agencies in the Federal Government for the purpose of integrating community service into the work and life of each individual in the country. The Foundation is to accomplish this by such means as set forth in S. 1430, including: encouraging Americans and American institutions to volunteer their time and services to community services projects; identify successful community service projects and disseminate information on them to other communities; and to discover and encourage individuals that serve as a strong example of commitment to serving others.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,000,000. The Committee has included bill language that requires the President to report to the Congress within 6 months of the date of enactment on the use of these funds.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Appropriations, 1990	$1,790,320,000
Budget estimate, 1991	819,272,000
House allowance	656,787,000
Committee recommendation	546,793,000

GENERAL DESCRIPTION

FEMA is responsible for coordinating Federal efforts to anticipate, prepare for and respond to a spectrum of major civil emergencies. The Agency also works to assure the effectiveness of the National Civil Defense Program and the availability of civil defense systems and resources in coping with all manmade and natural disasters; consolidates the programs aimed at preventing and mitigating the effects of potential disasters with the programs designed to deal with the disasters once they occur; coordinates and plans for the emergency deployment of resources that are used on a routine basis by Federal agencies; and helps to coordinate preparedness programs with State and local governments, private industry, and voluntary organizations.

FEMA's budget submission describes several principal activities, including:

Civil defense.—This activity provides for the development of plans and functional emergency capabilities to mitigate, prepare for, respond to, and recover from attack and natural disasters, including technological hazards. It has financial and technical assistance programs which support State and local organization requirements, and operating costs. Federal civil defense objectives and support are integrated with State and local emergency operational requirements, thereby enhancing overall emergency preparedness for all hazards. Under the administration's new civil defense policy, this activity places emphasis on ensuring a basic emergency response infrastructure with potential for rapid enhancement of capabilities when necessary (the surge concept). Included in this activity are preparedness programs that address functions including planning, warning, communications, direction and control, shelter, movement of people, and provision of food and medical resources. This activity also provides for development of training materials and training programs, and for research and development activities that provide the technical basis for national planning for such activities as population protection.

National Earthquake Program and other hazards.—This activity provides for the enhancement of Federal, State, and local governments' capability to prepare for, respond to, and mitigate potential impact of disasters and emergencies. Programs include the following: National Earthquake Program, which provides for technical and financial assistance to State and local governments to develop and implement hazard reduction programs, development and adoption of improved seismic design and construction standards, public education and information transfer, and Federal response planning; hurricane, which provides technical and financial assistance for the development of population preparedness and property protection; dam safety, which provides for coordination and monitoring of activities to enhance the safety of Federal and non-Federal dams, including provision of technical assistance on design, construction, maintenance, and operation of safe dams; and hazard mitigation assistance, which funds planning efforts to reduce potential hazards. FEMA is also designated as lead Agency for the National Earthquake Hazards Reduction Program and is responsible for planning, coordinating, and recommending goals and priorities for the multiagency program.

Radiological emergency preparedness.—This activity is focused on improvement of Federal, State, and local planning for emergencies in areas surrounding nuclear power reactors and enhanced capabilities to cope with radiological accidents at fixed nuclear facilities, including commercial nuclear powerplants, and nuclear materials license holders. The activity provides assistance to State and local governments through the issuance of guidance, review and approval of plans, and evaluation of exercises.

Federal preparedness.—The goals of the Federal preparedness activity are to enhance Government readiness and capability in order that the Nation will be able to respond effectively and efficiently to peacetime or wartime national security emergencies and to enable government to cope with the consequences of accidental, natural, and man-caused occurrences.

Training and fire programs.—This activity prepares Federal, State, and local officials, their supporting staff, and volunteer organizations to meet the responsibilities and challenges of domestic emergencies through planning, mitigation, preparedness, response, and long-term recovery. Educational programs are provided through the Emergency Management Institute and the National Fire Academy. In fiscal year 1991, FEMA proposes to begin a phase-in of a student registration fee as the increased cost sharing which is part of a governmentwide policy to increase the State and local share of the cost of training their personnel. The U.S. Fire Administration provides a Federal focus on identifying problems with which the Nation's fire, rescue, and emergency medical services must deal, finding solutions to these problems, and supporting State and local fire protection and emergency services efforts. FEMA proposes modest increases to two U.S. Fire Administration programs (fire prevention/arson and firefigther health and safety) in fiscal year 1991.

Flood plain management.—This activity combines mapping, regulatory, and technical assistance to assist State and local governments in responding to known flood hazards and mitigating their effects through a comprehensive approach to managing the Nation's flood plains. FEMA proposes to fund this activity through a transfer from the National Flood Insurance Fund in fiscal year 1991.

Flood insurance.—The National Flood Insurance Program makes insurance available to property owners in participating communities, in return for which communities are required to adopt flood plain management measures to protect lives and reduce property loss. The flood insurance mechanism allows individuals owning or buying property to insure buildings and contents against flood losses.

Crime insurance.—This program enables residents and businesses to purchase insurance against burglary and robbery losses on properties that meet protective device requirements where such coverage is not available in the private market place. By law, the current authority for this program expires on September 30, 1991. FEMA is proposing that this program not be extended beyond that date.

Disaster response and recovery.—The President's Disaster Relief Program supplements the efforts and available resources of State and local governments and voluntary relief organizations in responding to a major disaster or emergency, as defined in the Robert T. Stafford Relief and Emergency Assistance Act, Public Law 93-288, as amended by Public Law 100-707 (the Stafford Act).

Emergency food and shelter.—Funds are awarded to a national board of voluntary organizations, chaired by FEMA, which makes awards to local boards on the basis of need. Those local boards allocate funds to voluntary organizations at the local level and local units of governments to supplement their programs for emergency food and shelter.

DISASTER RELIEF

Appropriations, 1990	$1,248,450,000
Budget estimate, 1991	270,000,000
House allowance	100,000,000
Committee recommendation	

PROGRAM DESCRIPTION

Federal disaster assistance is a nationwide program operated pursuant to the Stafford Act. FEMA is authorized to provide Federal assistance to supplement the efforts and resources of State and local governments in response to major disasters and emergencies. Funds may be made available directly to a State or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. Funds and other assistance may also be made available to individuals, families, and businesses for disaster related needs and expenses. In addition, a variety of other Federal assistance is coordinated under this program.

COMMITTEE RECOMMENDATION

The Committee recommends there be no appropriation for disaster relief assistance in fiscal year 1991. The President requested $270,000,000 for this account and the House provided $100,000,000 for it.

FEMA's budget request is based on historical budget needs for a typical year. The Committee notes that FEMA's carryover of unobligated funds from fiscal year 1990 is estimated at $230,000,000, plus $50,000,000 in anticipated recaptures of prior year's funds. This $280,000,000 is $10,000,000 more than the administration's request. Thus, there is reason to be optimistic that the amount of prior appropriations FEMA expects to carry over in to 1991 will be sufficient. The Committee believes it would be unfortunate in this year of tight budget constraints to have appropriated funds sit unneeded and unused.

If 1991 should again be a year of unusually high disaster damages, it is the opinion of this Committee that a deficiency or supplemental appropriation would be appropriate because of "an emergency involving the safety of human life, the protection of property, when an appropriation is insufficient."

The Committee directs FEMA to submit to the Congress, by June 30, 1991, a report containing (1) an analysis of whether the disaster relief process can be enhanced by FEMA assuming a more active role in the initial response to a disaster, and prior to a disaster in cases such as hurricanes which can be anticipated in advance, and, based on that analysis, (2) recommendations for legislative or regulatory changes.

The Committee is also including bill language which would assist FEMA in the temporary hiring of Federal and military retirees to aid in disaster response. These retirees presently have to offset such pay against pensions, which discourages their participation. The language also limits such pay to the maximum rate of GS-12 to preclude any undue windfall to these persons.

SALARIES AND EXPENSES

Appropriations, 1990	$138,572,000
Budget estimate, 1991	143,334,000
House allowance	143,459,000
Committee recommendation	143,000,000

PROGRAM DESCRIPTION

The salaries and expenses appropriation comprises two activities:

1. *Program support.*—This activity provides for staff and supporting resources to administer the Agency's various programs at the headquarters, field, and regional levels. FEMA proposes to fund the salaries and expenses for flood plain management and insurance activities through a transfer from the national flood insurance fund in fiscal year 1991.

2. *Management and administration.*—This activity provides staff and supporting resources for the general management and administration of the Agency in legal affairs, external affairs, personnel, financial management, and other central support functions, such as rent, utilities, ADP support services, and supplies.

COMMITTEE RECOMMENDATION

The Committee recommends $143,000,000 for salaries and expenses. This amount is $334,000 less than the budget request and $459,000 less than the House allowance.

The Committee concurs in the House proposal to add $125,000 and three FTE to reestablish SARA title III training.

The Committee disagrees with the House proposals to reduce the Federal preparedness, Government preparedness program by $750,000, and to add $750,000 for 15 FTE's for the Disaster Relief Program.

The Committee concurs with the House recommendation to transfer $11,078,000 from the national flood insurance fund.

The Committee provides an additional $125,000 for personnel salaries and travel expenses at the U.S. Fire Administration.

−$200,000 from facility survey, engineering and development.
−$200,000 and two FTE's from Federal preparedness, Government preparedness.
+$200,000 and two FTE's to the National Fire Academy.
−$384,000, to be taken at the agency's discretion.

FEMA is also reminded that Public Law 100-476 limits the amount NETC site administration costs to be paid with fire funds to $4,150,000. FEMA is directed to submit to this Committee as soon as possible a reprogramming proposal to bring its 1991 work plan into compliance with that limitation.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

Appropriations, 1990	$270,643,000
Budget estimate, 1991	277,042,000
House allowance	275,423,000
Committee recommendation	267,042,000

PROGRAM DESCRIPTION

The emergency management planning and assistance appropriation provides resources for the following activities which were described previously: civil defense, earthquake and other hazards, radiological emergency preparedness, Federal preparedness, training and fire programs, and flood plain management. FEMA proposes to fund the flood plain management activity through a transfer from the National Flood Insurance Fund in fiscal year 1990.

COMMITTEE RECOMMENDATION

The Committee recommends $267,042,000 for emergency management planning and assistance. This is $8,381,000 below the House allowance and $10,000,000 below the budget request. This is $6,601,000 below the 1990 level.

The Committee concurs with the House in recommending the following adjustments to the administration request:

+$3,000,000 to the $60,128,000 requested for emergency management assistance grants.

+$252,000 for training and education, instructional programs and training field deployment systems to restore programs to 1990 levels.

+$5,000,000 for section 305(a) grants authorized by SARA, title III.

+$147,000 for training and fire, Emergency Management Institute to restore instructional programs and resident program to 1990 level.

+$134,000 for National Fire Academy, training field deployment systems to restore program to 1990 level.

+$100,000 to the $896,000 requested for the hurricane program.

The Committee agrees with the House directive to FEMA not to implement the proposed $25 weekly user fee for students at the National Emergency Training Center.

The Committee disagrees with the House reduction of $252,000 for State and local direction, control, and warning system. Included in this program is a 50-percent matching fund provision to establish emergency operating centers and emergency communications. Although the primary emphasis of this program, by law, is civil defense, the emergency operating centers are also the State and local governments' primary control centers when dealing with natural disasters. The Committee is aware that some of these operations were damaged and/or found lacking during Hurricane Hugo, and has received expressions of interest from other locations as well. The Committee believes that the $8,150,000 requested for these two programs is not excessive relative to the need and demand.

The Committee recommends the following changes to the administration's budget request:

−$20,000,000 from the Federal preparedness, Government preparedness section.

+$4,600,000 to correct fire and safety code violations at the National Emergency Training Center in Emmitsburg, MD.

+$70,000 to monitor and replace leaking emergency broadcast system diesel fuel storage tanks in Vermont.

+$1,330,000 to fund the Earthquake Hazards Reduction Program to the proposed authorized level for fiscal year 1991. In recognizing the importance of this program and growing public concern over the Nation's vulnerability to earthquakes, the Committee has substantially increased the funding of FEMA's earthquake-related efforts. The proposed funding will have nearly trebled the size of the National Earthquake Program since 1989. FEMA has been praised for its role in conducting its own segment of the National Earthquake Hazards Reduction Program [NEHRP] in helping State and local emergency officials respond to the Loma Prieta earthquake. However, concerns have been expressed in the past about weaknesses in FEMA's leadership and coordination role of the multiagency NEHRP. In providing this increased level of funding, the Committee strongly encourages FEMA, in its designated role as the lead agency in planning and coordinating the program, to give special emphasis to this responsibility.

+$1,000,000 to augment State and private funds to construct an earthquake engineering center at the University of Nevada, Reno.

+$170,000 to provide matching Federal funds to complete a firefighters' hazardous materials training facility in Vermont. The Committee finds that such funding by the Administrator, U.S. Fire Administration, is authorized under section 7(f) of the Federal Fire Prevention Control Act of 1974.

+$250,000 to help the Navajo Nation establish hazardous materials response teams.

−$6,053,000, to be applied at the Agency's discretion.

Last year, the Committee directed FEMA to prepare a study ranking the principal threats facing communities and local emergency managers. In that study, local emergency coordinators generally found natural disasters and hazardous materials incidents to be more critical threats than nuclear or other military attack. In testimony before the Committee, FEMA stated that it found the study to have been a useful exercise in providing an overall perspective on local needs. Accordingly, the Committee directs FEMA to update the report annually, and to also provide this Committee, in that report or with its budget proposal, justification for the relative levels of funding of the various programs not coinciding with the threats as perceived at the local level.

Because of the difficulties FEMA has experienced in housing both its own employees and persons affected by the recent disasters, the Committee recommends that the Agency examine the feasibility of procuring automated building machine systems and positioning them at selected military installations selected for their proximity to potential disaster sites, along with a supply of steel, so that they can be moved to any disaster site within 12 to 24 hours. Depending upon the outcome of the feasibility study, the Committee would entertain a reprogramming request of up to $500,000 to initiate a pilot project to implement such a program.

NATIONAL FLOOD INSURANCE FUND

PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes.

Under the Emergency Program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to $245,000 for single family residential and $550,000 for other types.

Financing.—The Administrator is authorized to borrow up to $1,000,000,000 to carry out the program. No appropriation is requested in 1990 or 1991.

Operating results.—In 1988, the program became self-supporting for the historic average loss year. In 1989, despite losses from Hurrican Hugo, the program required no borrowings or appropriations. The program is financed through premium income in the historic average loss year.

COMMITTEE RECOMMENDATION

The Committee concurs in the House proposal to transfer, from the national flood insurance fund, $11,078,000 for administrative costs of the Flood Insurance Program to the salaries and expenses appropriation, and $47,023,000 for Flood Plain Program activities to the emergency management planning and assistance appropriation.

The Committee concurs in the House denial of the administration's request to increase the amount available for interest on Treasury borrowings without prior notice to the Committees on Appropriations.

The Committee is also concerned with aspects of the administration's proposal to establish user fees for the recoupment of the costs of the flood insurance and mitigation programs from policyholders. Specifically, there are components of the flood insurance and mitigation program which have little direct relationship to the actual insuring of property, and as a result, little logical basis for asking the holders of flood insurance policies to pay these costs.

Inclusion of such items in the premium base appears beyond the nature of premium ratesetting set forth in sections 1307 and 1311 of the Flood Disaster Protection Act of 1973.

Further, FEMA has previously advised the Committee that the fund is now self-supporting for the historic average loss year.

Accordingly, the Committee directs that the administration undertake no flood insurance premium increases or user fee establishment in fiscal year 1991 without advance consultation with this Committee, such discussion to include the cost elements used in the proposed premium calculation.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1990	$2,563,000
Budget estimate, 1991	3,905,000
House allowance	3,905,000
Committee recommendation	2,751,000

PROGRAM DESCRIPTION

This was a new appropriation in 1990, the necessity for which was created by Public Law 100–504, the Inspector General Act Amendments of 1988. FEMA inspector general activities were previously funded as part of the management and administration activity of the salaries and expenses appropriation.

This appropriation provides audit and investigative functions for all FEMA programs, including the insurance programs. The audit function provides oversight and evaluation of Agency activities, and serves to identify and correct conditions allowing potential or actual fraud, waste, and mismanagement in FEMA programs. The investigative function provides for the detection and investigation of improper and illegal activities involving Agency programs, personnel, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends $2,751,000 for Office of the Inspector General. This amount is $1,154,000 below the budget request and the House allowance.

EMERGENCY FOOD AND SHELTER

Appropriations, 1990	$130,092,000
Budget estimate, 1991	124,991,000
House allowance	134,000,000
Committee recommendation	134,000,000

PROGRAM DESCRIPTION

The Emergency Food and Shelter Program originated as a onetime emergency appropriation to combat the effects of high unemployment in the emergency jobs bill (Public Law 98–8) which was enacted in March 1983. It was authorized under title III of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100–177.

The program has been administered by a national board and the majority of the funding has been spent for providing temporary food and shelter for the homeless, participating organizations being restricted by legislation from spending more than 2 percent of the funding received for administrative costs. The administrative ceiling was increased to 5 percent under the McKinney Act. However, subsequent appropriation acts limited an expenditure of 3.5 percent on administrative expenses.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $134,000,000. This amount is the same as the House allowance and $9,009,000 more than the administration's request. The program is widely respected as an effective and efficient program that provides goods and services not provided by other McKinney Act programs. Specifically, it is one of the key programs to ensure that the homeless and very needy will have food and a place to sleep, serves many more communities than do the HUD programs, and also is used in homeless prevention. Accordingly, this Committee recommends increasing the funding to the latest authorized level of $134,000,000. Although there is legislation in process to increase this level further to $150,000,000, the Committee feels constrained to hold the funding at the latest authorized level until such reauthorization is actually enacted. The administrative costs shall continue not to exceed 3.5 percent of the total appropriation.

The Committee disagrees with the House proposal to require FEMA to adopt one of the fund allocation alternatives considered in its December 11, 1989, report to the Congress, or such changes as are necessary so the program will accurately reflect homeless statistics. The Committee believes that alternative 1, increased State set-asides, would be more effectively administered if left to the discretion of the national board; and that alternative 2, or any other alternative based on the homeless population, is not viable at this time due to lack of accurate data on the homeless population. Further, the Committee is aware that (1) a substantial amount of EFS funds go to the needy rather than the homeless, and that there are economically depressed areas with substantial amounts of unemployment and need, but relatively low counts of homeless persons, and (2) possible flaws in both the EFS fund allocation and HUD's ESG allocation tend to offset one another. Until a clearly better allocation method can be devised, the status quo is not without merit.

ADMINISTRATIVE PROVISION

As originally established by law, the National Fire Academy was an organizational component of the U.S. Fire Administration. They were administratively separated shortly after being transferred to FEMA. The Committee is concerned that fire-related activities are not being given the emphasis they warrant, as evidenced by earlier attempts to terminate funding of the Fire Administration, and continued funding of site administration costs at the National Emergency Training Center with a disproportionately high amount of fire funds and personnel.

As a result, the Committee is including bill language that will transfer all authority over the National Fire Academy, both funding and program responsibilities, to the U.S. Fire Administration.

Accordingly, the Committee further directs FEMA to issue appropriate directives placing the funding and program and administrative activities of the National Fire Academy and the U.S. Fire Administration under the supervision of the Administrator, U.S. Fire Administration. This shall serve as a directive to FEMA to abide by section 7(b) of the Federal Fire Prevention and Control Act of 1974, which states that "the Superintendent [of the National Fire Academy] shall be subject to the direction of the Administrator [of the Fire Administration]." FEMA should also report to this Committee by March 31, 1991, on the following matters:

One, the landlord/tenant relationship of the Fire Administration and National Fire Academy relative to the Office of Training and the National Emergency Training Center.

Two, how site administration cost sharing will be determined.

Three, what future role, if any, is seen for the Office of Training.

Four, the accuracy of the Committee's understanding, and FEMA's intention, regarding a draft regulation that would transfer curriculum, course content, and other key responsibilities from the National Fire Academy and Emergency Management Institute to the Office of Training.

The Committee also notes that FEMA is very near its congressionally mandated Emmitsburg staffing level of 140. In light of that, and in light of the reorganization at the Fire Academy, FEMA's monthly report to the Committee on the status of Emmitsburg staffing should be done semiannually.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

Appropriations, 1990	$1,339,000
Budget estimate, 1991	1,540,000
House allowance	1,540,000
Committee recommendation	1,540,000

PROGRAM DESCRIPTION

The Consumer Information Center [CIC] was established within the General Services Administration [GSA] by Executive order on October 26, 1970, to help Federal departments and agencies promote and distribute consumer information collected as a byproduct of the Government's program activities.

The CIC promotes greater public awareness of existing Federal publications through wide dissemination to the general public of the consumer information catalog. The catalog lists both sales and free publications available from the Government Printing Office [GPO] distribution facility in Pueblo, CO. In fiscal year 1989, the CIC distributed a total of 8.5 million publications. Distribution costs of the free publications are financed by reimbursements from the Federal agencies to the Consumer Information Center.

Public Law 98-63, enacted July 30, 1983, established a revolving fund for the CIC. Under this fund, CIC activities are financed from the following: annual appropriations from the general funds of the Treasury, reimbursements from agencies for distribution of publications, user fees collected from the public, and any other income incident to CIC activities. All are available as authorized in appropriation acts without regard to fiscal year limitations.

COMMITTEE RECOMMENDATION

The Committee has provided $1,540,000 for the Consumer Information Center [CIC], the same level as requested by the administration and provided by the House.

The Committee notes that the balance in CIC's revolving fund is projected to be $63,000 at the end of fiscal year 1991, an all-time low for the revolving fund. Since the revolving fund provides for the efficient operation of the Center, the Committee urges CIC to manage its resources prudently to avoid depletion of the fund.

Department of Health and Human Services

U.S. OFFICE OF CONSUMER AFFAIRS

Appropriations, 1990	$1,834,000
Budget estimate, 1991	1,889,000
House allowance	1,889,000
Committee recommendation	1,964,000

PROGRAM DESCRIPTION

In accordance with Executive Order 11583 of February 24, 1971, the staff of the U.S. Office of Consumer Affairs assures that consumer needs and viewpoints are presented in the Federal Government, fosters consideration of consumer viewpoints by other Government agencies, voluntary groups and business, and seeks to inform and educate individual citizens to deal more effectively in the marketplace. The U.S. Office of Consumer Affairs publishes the Consumer's Resource Handbook. The Director is also the Special Adviser to the President for Consumer Affairs.

Under Executive Order 12160 of September 26, 1979, the staff of the Office also provides administrative support to the Consumer Affairs Council. The functions of the Council are to provide leadership and coordination to insure that agency consumer programs are implemented effectively, promote efficiency and interagency cooperation, and to eliminate duplication and inconsistency among agency consumer programs.

COMMITTEE RECOMMENDATION

The Committee has provided $1,964,000 for the Office of Consumer Affairs, an increase of $75,000 above the budget estimate and the House allowance.

The Committee notes that OCA has proposed to seek corporate sponsorship to cover the cost of distributing the Consumer Resource Handbook in the event that agency funding is insufficient. The Committee is concerned with this proposal in that the number of copies available will depend on the extent and success of OCA's fundraising efforts with the private sector. Given the importance of making the handbook as widely available as possible, the Committee has provided $75,000 to cover the shortfall in the budget requested for distribution costs.

INTERAGENCY COUNCIL ON THE HOMELESS

SALARIES AND EXPENSES

Appropriations, 1990	$1,083,000
Budget estimate, 1991	1,214,000
House allowance	1,214,000
Committee recommendation	1,083,000

PROGRAM DESCRIPTION

The Interagency Council on the Homeless was authorized by the Stewart B. McKinney Homeless Assistance Act in 1987. It is an independent organization composed of 17 designated Federal agencies with a chairman elected by those agencies and an executive director appointed by the chairman. The Council reviews Federal activities and programs to help the homeless. It works with State and local governments and private organizations on homeless-related efforts. The Council also collects and disseminates information and prepares reports on the homeless issue for the Congress and the President.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,083,000 for the Interagency Council on the Homeless. This is $131,000 less than the administration request and the House allowance.

The Committee believes that the Council has shown significant improvement in its operation during the past year in terms of such things as identifying needed improvements to the Federal homeless assistance effort, data compilation, and efforts toward more vigorous implementation of title V of the McKinney Act.

However, in light of present budget constraints, the Committee is recommending funding at the previous year's level.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Appropriations, 1990	$12,221,574,000
Budget estimate, 1991	15,125,200,000
House allowance	14,290,325,000
Committee recommendation	13,451,200,000

GENERAL DESCRIPTION

The National Aeronautics and Space Administration was established by the National Aeronautics and Space Act of 1958 to conduct space and aeronautical research, development, and flight activities for peaceful purposes designed to maintain U.S. preeminence in aeronautics and space. The President, in the national space policy, has charged NASA to conduct a balanced program of manned and unmanned exploration and to begin the systematic development of technologies necessary to enable and support a range of future manned missions. These activities are designed to support the long-range goal of expanding human presence and activity beyond Earth orbit into the solar system. The NASA program provides for a vigorous national program ensuring leadership in areas critical to space as well as continued preeminence in aeronautics. Elements include:

—Providing safe and effective assured access to space using both the space shuttle and expendable launch vehicles;

—Moving forward in the establishment of a permanently occupied space station in Earth orbit;

—Continuing an effective space science and applications program to expand knowledge of the Earth, its environment, the solar system, and the universe;

—Developing the advanced technology and capabilities to conduct orbital operations and manned exploration of space;

—Providing the facilities, technology, and expertise necessary for superiority in civil and military aviation; and

—Providing opportunities for commercialization of space and for international cooperation in space.

NASA's expenditures are labor intensive, with approximately 80 percent of spending directly for jobs and the remainder for materials. In fiscal year 1991, NASA's total civil service complement is projected to be 24,466, divided among eight major field installations and NASA headquarters. The NASA fiscal year 1991 budget will also support about 23,000 contractor and support services employees. The most significant economic effects of NASA spending are the long-term productivity advances from new technologies developed for the space and aeronautics program. Many NASA-sponsored advances in air and space transportation, communications satellites, remote sensing satellites, and other innovations have improved the productive capacity of industry and stimulated the development and growth of many new businesses.

The principle roles assigned to each NASA installation, based on demonstrated capabilities and capacities to meet overall program goals, are as follows:

Johnson Space Center.—Management of the space shuttle program, including orbiter production and modification; management of Space Station Freedom's assembly hardware and subsystems; selection and training of astronauts and mission specialists; and space transportation system operations, including mission planning, operational procedures, and flight control.

Kennedy Space Center.—Management of the ground operational phase of the space transportation system, including orbiter processing, final payload checkout, and integration with the shuttle and shuttle launch; and space station operational launch readiness planning.

Marshall Space Flight Center.—Management of the space shuttle main engine, solid rocket booster, and external tank projects; management of Space Station Freedom's pressurized modules; management of the advanced solid rocket motor [ASRM] and propulsion system of the advanced launch system [ALS]; management of NASA's activities on the spacelab project; management of the development of the advanced x ray astrophysics facility [AXAF]; and conduct and development of experiments in materials processing in space.

Stennis Space Center.—Space shuttle engine testing; preparing for ALS and ASRM testing; and Earth resources research and technology transfer.

Goddard Space Flight Center.—Development and operation of Earth orbital flight experiments and other automated spacecraft to conduct scientific investigations and to demonstrate practical applications; management of Space Station Freedom's flight telerobotic servicer; management of tracking and data acquisition activities; management and launch of sounding rockets and balloons; operation of an instrumented flight range for aeronautical and space research; and procurement of launch services for small and intermediate payloads. The Wallops flight facility is an operational element and component installation of the Goddard Space Flight Center.

Ames Research Center.—Conduct of activities involving experimental and theoretical aerodynamics research, computational fluid dynamics, aeronautical flight research and testing, rotorcraft technology, short and vertical takeoff and landing technology, technology for transatmospheric vehicles, life sciences, human factors, autonomous systems, guidance and control, and operation of an alternate landing site for the space shuttle operational missions. The Dryden flight research facility is an operational element and component installation of the Ames Research Center.

Langley Research Center.—Conduct of subsonic aircraft research and technology, emphasizing fuel conservation, safety, and environmental effects; hypersonic propulsion; experimental and theoretical aerodynamics; environmental quality monitoring by remote sensing; advanced space systems technology; and research in the areas of structures and materials, guidance and controls, and airframe/propulsion integration of the transatmospheric research and technology program.

Lewis Research Center.—Conduct of aeronautical and space propulsion for the transatmospheric research and technology program; space communications research and technology; development of microgravity science and application experiments; space energy systems research and technology; management of Space Station Freedom's power system; and procurement of launch services for intermediate and large payloads.

NASA headquarters.—Overall executive direction of NASA's programs and activities, including program management of such programs as Space Station Freedom and the STS, and functional management of such areas as personnel policies and development, equal employment opportunity, procurement, financial management, et cetera.

RESEARCH AND DEVELOPMENT

Appropriations, 1990	$5,227,776,000
Budget estimate, 1991	7,074,000,000
House allowance	7,027,994,000
Committee recommendation	5,600,000,000

PROGRAM DESCRIPTION

The objectives of the National Aeronautics and Space Administration's [NASA] program of research and development are to extend our knowledge of the Earth, its space environment, and the universe; to expand the practical applications of space technology;

to develop, operate, and improve unmanned space vehicles; to provide technology for improving the performance of aeronautical vehicles while minimizing their environmental effects and energy consumption; and to assure continued development of the aeronautics and space technology necessary to accomplish national goals.

The appropriations request would continue funding for a permanently manned space station, including development work on the hardware components and supporting development activities such as systems engineering and integration, and the technical and management information system. Development of the Flight Telerobotic System Program would also be continued. Funding is also included to conduct an analysis on how the space station can be best used to support the space exploration initiative.

Another major area of activity is space transportation capability development including efforts related to the spacelab, the upper stages that place satellites in high altitude orbits not attainable by the shuttle, the engineering and technical base, payload operations and support equipment, advanced programs study and evaluation efforts, the development of the United States/Italy tethered satellite system, and development of the orbital maneuvering vehicle. Funding is included to continue definition and preliminary design activities on the assured crew return capability for the space station. Funding is included for an Advanced Propulsion Technology Program. This funding continues the joint NASA/DOD efforts on the advanced launch system to define concepts and develop the technologies necessary to produce a family of lower cost, reliable, and flexible launch vehicles.

The space science and applications program utilizes space systems supported by airborne and ground-based observations to conduct scientific investigations of the Earth and its space environment, the Sun, the planets, interplanetary and interstellar space, and the other stars of our galaxy and universe. Results from these investigations contribute to our understanding of the universe, including the key questions of life, matter, and energy. In addition, this program conducts the research and selected technology developments to encourage the practical application of space technologies to needs on Earth. Funding is included to initiate development of the Earth observing system [EOS] and a supporting initiative called Earth probes. The EOS, which is the first major element of mission to planet Earth, will include instruments on a polar orbiting platform to provide simultaneous, comprehensive Earth coverage and the measurement and data system capabilities necessary for long-term answers to global change. The Earth probes initiative is a series of explorer-class spacecraft which will address specific, highly focused Earth science investigations. Funding is also included to augment the Mars observer mission to accommodate the Mars balloon relay experiment. This will allow hardware to be incorporated into the Mars observer spacecraft to allow more information on the Martian surface and atmosphere to be sent back to Earth.

Commercial programs include the technology utilization and commercial use of space programs. The Technology Utilization Program is designed to facilitate the transfer of NASA developed technology to the nonaerospace sectors of the U.S. economy. The commercial use of space program is designed to increase private sector awareness of the opportunities in space. Private industry will be encouraged to invest and participate in high technology research and development utilizing the unique characteristics of space. Funding is included to expand flight opportunities for payloads developed at the centers for the commercial development of space through the provision of additional sounding rocket opportunities, the development of a small orbital ELV program, and the lease of a commercially available pressurized payload module.

The objective of the aeronautical research and technology program is to provide the broad technology base essential to the preservation of U.S. leadership in aviation. The objectives of the space research and technology program are to provide the technology base necessary to support current and future space activities and to formulate and advance technology options for the future. These activities emphasize the longer-range aspects of generic research and technology development which are crucial in maintaining future U.S. leadership. Funding is included to augment the Exploration Technology Program, formerly called the Pathfinder Program, to continue building a broad set of technologies to seek innovative approaches to space exploration.

The objective of the joint NASA/DOD transatmospheric research and technology program is to explore new approaches for cost-effective hypersonic flight in the atmosphere with the capability to accelerate to orbit.

The safety, reliability, and quality assurance program will continue to support activities in safety, reliability, quality assurance, maintainability systems engineering, and program practices including independent assessment activities which reduce program risk.

The university space science and technology academic program will support graduate student fellowships, faculty fellowships, the historically black colleges and university research program and the space grant college and fellowship program.

The overall objective of the tracking advanced systems program is to perform studies to ensure capability for tracking and data acquisitions, communications, and data processing support required by all NASA flight projects in accomplishing their mission objectives.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,600,000,000 for research and development activities. This amount is $372,224,000 above the 1990 enacted level, $1,427,994,000 below the House level, and $1,474,000,000 below the budget request. The Committee has reluctantly made this reduction due to a severely constrained 302(b) allocation for this appropriations bill and the largely restrained level of outlays available to domestic discretionary spending in the entire Federal budget.

The Committee does not concur with the transfer of $575,469,000 from the "Research and program management" account made by the House. When this transfer of funds is not included in the House level recommended for the "Research and development" account, the Senate recommendation is $884,525,000 less than the House allowance for NASA research and development activities.

The Committee strongly believes that a robust and balanced Civilian Space Program should be funded at a higher level than that included in the current recommendation for research and development. At the same time, however, the large increase recommended in the President's budget for NASA's research and development activities simply cannot be accommodated within a framework that restrains all domestic discretionary programs at the level insisted upon by the administration.

The Committee recommendation for research and development activities includes the following increases, decreases, and changes to the program areas described below:

Space station.—The Committee recommends an appropriation of $1,587,400,000 for the Space Station Program. This amount is a reduction of $863,600,000 from the budget request, $666,600,000 below the House level, and $162,223,000 below the 1990 appropriation.

The Committee directs that the reduction be made as follows:

–$828,700,000 from space station development activities.

–$8,900,000 for space station operations.

–$26,000,000 for advanced programs, with the remaining funds in advanced programs to be used for continued work on solar dynamic power.

The Committee has provided the full budget request of $106,300,000 for the flight telerobotic servicer in order to maintain sufficient funds so it can meet its first scheduled development test flight in 1991.

The Committee has reluctantly made the decision to reduce funding for the space station program due to the fact that its 302(b) allocation is $2,080,000,000 less than the House allocation in budget authority, and nearly $1,300,000,000 less in budget outlays than that requested by the President's budget for the VA-HUD bill. Given the size of the reduction in funding for the entire bill which the Committee has been required to absorb, a cut of less than $700,000,000 below the House level seems more than reasonable given other programmatic demands within NASA and the bill as a whole.

The proposed reduction in the space station program will require NASA to undertake one of two options: either a major slip in the station's first element launch schedule, now set for the first quarter of 1995; or a major restructuring of the program that might require the agency to abandon the goal of establishing a permanently manned space station. The Committee finds both scenarios severely counterproductive and objectionable, but believes that without significant funding relief in fiscal year 1991, those results are inevitable.

The Committee notes that it shares the concerns of the House about technical and management challenges which the Space Station Program now faces. Current weight, power, and external maintenance requirements all appear to point to a program whose management has failed to solve some of the most serious problems with the station despite $3,800,000,000 of Federal appropriations having been spent to date on the project. The Committee is particularly concerned that NASA commitments to the Congress on material processing activities on the station, and the attendant power requirements needed for them, be firmly maintained and that they be permanently baselined by the conclusion of the space station's preliminary design review [PDR].

The Committee fully expects NASA and the space station program to live up to these particular scientific commitments. For that reason, the Committee is deleting the House's cap of $750,000,000 on the station program until the conclusion of PDR, without prejudice. The Committee hopes that between now and the time the conference report is completed, additional efforts taken by NASA will address these technical and management issues to the Committee's satisfaction.

The Committee directs NASA to do a feasibility study and submit to it the results of that effort on the development of a space station orientation complex in West Virginia, and how such a facility might enhance technology utilization and development, user orientation, and science education activities in connection with the space station program.

The following table reflects the Committee's recommendations on the space station program:

	Request	Change
Space station:		
Development	$2,299,800,000	–$828,700,000
Flight telerobotic servicer	106,300,000	
Operations	8,900,000	–8,900,000
Advanced programs	36,000,000	–26,000,000
Total	2,451,000,000	–863,600,000

Space transportation capability development.—The Committee recommends a reduction of $189,400,000 from the $773,400,000 requested for space transportation capability development. The Committee directs the following changes to the budget request:

- –$10,000,000 from the $130,700,000 requested for spacelab, which will still mean an increase of over 26 percent above the 1990 level.
- –$10,000,000 from the $218,500,000 requested for the engineering and technical base. None of the reduction shall be applied to funds for safety, reliability, and quality assurance activities.
- –$48,000,000 from space station support activities in the payload operations and support equipment element. This is consistent with the reduction made in the overall space station budget and reflects the Committee's desire to fund space station-related activities out of funds appropriated directly to the space station program.
- –$16,000,000 from advanced programs for funds requested for the assured crew rescue vehicle [ACRV], consistent with reductions made in the space station budget and overall agency priorities.
- –$20,000,000 from the $53,900,000 for the advanced transportation technology program. The Committee directs that of the remaining funds, $10,500,000 be directed to continue studies on the shuttle-C program, and the remaining $23,400,000 for pro-

pulsion work connected with the advanced launch system [ALS]. The Committee expects that NASA, in conjunction with the Department of Defense and the National Space Council, will provide the Committee with a transition plan by April 1, 1991, that outlines the mission requirement for which a heavy-lift launch vehicle is needed and how those missions fit into the Nation's overall space policy.

—$85,400,000 from the $85,400,000 requested for the orbital maneuvering vehicle, consistent with the program's termination by NASA earlier this year. The Committee will entertain a reprogramming later in the fiscal year if NASA is unable to cover termination costs for the program out of existing reserves.

Space science and applications.—The Committee recommends an appropriation of $2,368,400,000 for space science and applications, a reduction of $115,150,000 from the budget request and $78,100,000 from the House allowance.

For physics and astronomy, the Committee makes the following recommendations:

+$22,000,000 for continued development costs on the Gamma Ray Observatory due to a slip in the shuttle launch date for this mission due to operational problems in the shuttle program. No funds were requested for this purpose in the budget or the House allowance.

—$12,000,000 from the $15,000,000 requested for space station integrated planning and attached payload activities, consistent with the large reduction in the space station program.

—$23,350,000 from $46,700,0000 in funds requested for the shuttle test of relativity experiment (gravity probe B), and phase B activities on the Orbiting Solar Laboratory [OSL], and the Space Infrared Telescope Facility [SIRTF], to be implemented at the discretion of the agency, subject to the normal reprogramming guidelines. While the Committee is reluctant to make this recommendation, it does not believe that it will be feasible in the next few years to start each of these projects due to extremely lean budgets. As a result, it believes that a slower rate of growth in development studies for new start projects is necessary.

+$30,000,000 to the $293,900,000 requested for mission operations and data analysis for upgrading of the instruments and related activities for the Hubble Space Telescope project. The Committee expects NASA to report to the Committee on its proposed fix for the telescope's mirrors before making any final decision on this effort. In addition, the Committee expects NASA to develop an independent means of verifying the accuracy of all replacement instruments that will modified to correct for the primary mirror's spherical aberration. The Committee remains deeply concerned about the series of events which led to the discovery of a spherical aberration in the telescope's primary mirror only after it was launched into orbit. The Committee commends NASA and the Allen Commission for its prompt and careful review of records that pinpointed the error in the testing of the telescope's mirrors. Nevertheless, the Committee believes that insufficient attention has been given as to why the testing devices used on the mirrors were flawed. As a result, the Committee directs the Associate Administrator for Space Science and Applications to seek a formal investigation by the NASA inspector general on this matter, and the results of that inquiry to be transmitted to the Committees on Appropriation no later than January 31, 1991.

The Committee directs NASA to do a feasibility study of an international space radio astronomy institute based at the National Radio Astronomy Observatory in Green Bank, WV, whose mission would be to help facilitate the developing of space-based radio astronomy's growing international character. The results of this study should be submitted by February 1, 1991.

For life sciences, the Committee recommends the following:

—$25,000,000 from the $163,000,000 requested for life sciences, to be taken as a general reduction, subject to the normal reprogramming guidelines. None of this reduction is to be taken from the request for the search for extraterrestrial intelligence [SETI] program.

In recommending the full budget request of $12,100,000 for the SETI program, the Committee reaffirms its support of the basic scientific merit of this experiment to monitor portions of the radio spectrum as an efficient means of exploring the possibility of the existence of intelligent extraterrestrial life. While this speculative venture stimulates widespread interest and imagination, the Committee's recommendation is based on its assessment of the technical and engineering advances associated with the development of the monitoring devices needed for the project and on the broad educational component of the program. The fundamental character of the SETI program provides unique opportunities to explain principles of such scientific disciplines as biology, astronomy, physics, and chemistry, in addition to exposing students to the development and application of microelectronic technology.

The Committee has included the full request of $2,000,000 for the Lifesat project, and recommends continuation of studies on biology archiving to determine the feasibility of establishing a center for biology archiving for interdisciplinary research in gravitational biology.

The Committee is aware of a proposal to establish an institute for life support research and technology similar to existing NASA supported activities in planetary science and other technical areas. Such an arrangement would facilitate efforts to develop an organizational structure to manage extramural science and engineering activities and eventually to become an institutional arrangement with sufficient technical capability to effectively support long-term manned space missions. Current uncertainties over budgetary support have a dramatic impact on the pace of human space exploration activities, however it is the Committee's view that NASA should continue its consideration of this proposal since such technical concerns as life support can only be effectively addressed in the context of a planned long-term research and technology development program.

The Committee is also aware of the support NASA provides for basic life sciences research that is funded in the research and analysis activity of the life sciences budget. The Committee expects funding for this university-based work to continue in fiscal year 1991.

The Committee has learned from medical researchers' testimony of the significant otolaryngological health problems in human adaptation to space which requires ongoing research to overcome. NASA is encouraged to work closely with the medical scientists in otolaryngology—head and neck surgery—to further discuss these problems and develop a mutual and collegial action plan aimed toward solving these space disorders.

For planetary exploration, the Committee recommends the following changes:

–$15,000,000 from the $68,900,000 requested for the Mars Observer mission. This amount reflects the level requested to augment the Mars Observer mission as part of the space exploration initiative, or Moon-Mars, project.

–$50,000,000 from the $148,000,000 requested for the comet rendezvous asteroid flyby [CRAF]/Cassini mission. The Committee has reluctantly made this decision due to a severely restrained budget request, and it will result in cancellation of the CRAF mission. The Committee believes that should additional funding for the bill be made available later in the year, that complete or partial restoration of these funds should be given a high priority.

–$15,000,000 from the $89,500,000 requested for research and analysis activity. This amount reflects funds added for phase B studies on the Lunar Observer mission as part of the space exploration initiative. The Committee believes that the SEI program has a relatively lower priority given severe budget constraints.

For Earth sciences and applications, the Committee recommends the following:

–$36,000,000 from the $103,000,000 requested for the Earth observing system [EOS], to be transferred as an addition of $36,000,000 to a new line in the Earth sciences and applications budget, designated for the EOS data information system [EOSDIS] portion of the EOS project.

+$36,000,000 for the EOS Data Information System [EOSDIS] as a new line in the Earth sciences and applications budget.

–$44,000,000 from the $132,000,000 requested for the polar platforms portion of the EOS project.

+$31,000,000 to the $25,000,000 requested for the Earth probes, to be allocated as follows: $11,000,000 for the total ozone mapping spectrometer; $15,000,000 for the tropical rainfall measuring mission [TRMM]; and $5,000,000 for the sea-wide field sensor [SeaWiF's], to be procured through the normal competitive process. The Committee has added these funds because it agrees with the conclusions of the recent National Academy report on EOS that pre-EOS Earth science flight projects and the Earth probe initiative are important for the U.S. Global Climate Research Program and should not be delayed to maintain the EOS program schedule and budget.

+$3,000,000 to the $68,000,000 requested for the ocean topography experiment due to increased integration activities.

- +$12,000,000 to the $2,400,000 requested for interdisciplinary research activities. The Committee is concerned that NASA has proposed a reduction below the fiscal year 1990 level despite proposing such a large increase in the overall Earth sciences budget. The Committee expects NASA to use these funds for individual research grants into better understanding the sources and repositories of greenhouse gases.
- +$5,000,000 to the $41,300,000 requested for modeling and data analysis, for use in improving the predictive capabilities of general circulation models. The Committee expects a report on NASA's progress in this area by July 1, 1991.

The Committee does not concur with the House addition of $10,000,000 to begin the EOS synthetic aperture radar as a new start in fiscal year 1991. The Committee believes that such an undertaking is premature given the current fiscal constraints on the NASA budget.

The Committee notes that a recent National Academy of Science report, "The U.S. Global Change Research Program: An Assessment of the Fiscal Year 1991 Plans," strongly endorses NASA's proposed new start for the Earth observing system [EOS] project. The Committee concurs with this assessment, and as a result, has included funds in the fiscal year 1991 budget to begin EOS as a new start. At the same time, however, the Academy's report raised several concerns about certain aspects of EOS which the Committee believes NASA should examine carefully, and on which it should report back to the Committee by February 1, 1991.

One of the chief concerns is whether or not other Federal agencies and the USGCRP's international partners have planned or committed the financial resources to do the surface studies which will be necessary for the complete development of EOS interdisciplinary data products and assessments. NASA should outline the specific ground-based and space-based observations and variables, and the responsible agency or country, for augmenting EOS' measurements. The report should estimate the status of the plans of cooperating agencies or countries participating in this exercise, and their estimated life-cycle costs for producing the surface data which will support EOS. NASA should assist the participating Federal agencies and international partners in this process where appropriate.

In addition, NASA should present to the Committee its specific strategy for dealing with gaps in data collection which will be needed to support pre-EOS Earth science flight projects, the Earth probes initiative, and the EOS project itself, and the costs associated with this strategy. NASA should also include an outline of its plan for developing the major data products it intends to produce from EOS, the policy questions which those products are seeking to answer, and a step-by-step indication of how NASA intends to achieve these data products. As part of the EOSDIS portion of EOS, the agency should include a description of the computer technology, archiving technology, and data management system advances that must occur for EOSDIS to succeed, and the agency's contingency plans to achieve its goals if those advances do not occur as quickly as currently anticipated.

The Committee also believes that NASA should address in this report the concerns raised by the Academy about launching EOS as two large platforms. A catastrophic accident or loss of a key instrument could result in the loss of the entire platform, causing extremely large increases in costs and unacceptable time delays. The Committee directs NASA to include in the revised EOS plan a thorough analysis of launching EOS as two large platforms, or one large platform and a series of smaller satellites. This analysis should assess how either option will effect the ability of EOS to give the United States and the international community the necessary information on global climate science and policy questions in a timely fashion, at the lowest possible cost, and with the highest rate of scientific return.

The Committee directs NASA to work with the Space Council and other interested Federal agencies to address the issue of servicing the EOS platforms, as well as other space payloads launched from the west coast.

The Committee is aware of the valuable work done by the Oregon Coast Aquarium in enhancing public awareness about the value of preserving and enhancing the Earth's ecology. The Committee notes the aquarium's activities in this area is an example of how NASA could expand the general public's awareness of its unique role and mission in undertaking the EOS project.

For other science programs, the Committee recommends the following:

The Committee does not concur with the House addition of $5,000,000 to the budget request for materials processing.

+$2,000,000 for the ACTS program for experiments associated with this important communications satellite project.

−$33,650,000 for the Office of Space Science and Applications to be taken as a general reduction to all science programs not otherwise specified for increases, reductions, or earmarks in the Senate report, to be taken at the agency's discretion, subject to the normal reprogramming guidelines.

The Office of Space Science and Applications is directed to conduct a definition/design study of a master plan for the establishment of an independent verification and validation program, in conjunction with an existing software development consortium, to test and evaluate software for NASA missions, and to transmit this study, along with 5-year cost estimates, to the Committees on Appropriations by April 1, 1991.

Commercial programs.—The Committee recommends a reduction of $15,000,000 from the $101,000,000 requested for commercial programs. This will still provide commercial programs with an increase of more than 50 percent above their 1990 appropriation, the largest percentage increase of any NASA program office in the bill. The Committee recommends the following changes:

−$3,000,000 for the construction of a wake shield facility, which has been transferred to the "Construction of facilities" account.

−$13,000,000 as a general reduction, to be taken at the agency's discretion, subject to the normal reprogramming requirements.

+$1,000,000 to the $3,000,000 requested for the AdaNET program. The AdaNET program will facilitate the transfer of Ada software to the commercial sector and will stimulate its application in manufacturing, automation, and robotics activities. In addition, it will eliminate the duplication of software and program efforts by Government and industry on this project. The Committee expects NASA to provide it with a report on its current review of the AdaNET program and the agency's strategic plan for expanding the application and use of the Ada software program.

The Committee recommends the full $5,000,000 requested for the National Technology Transfer Center [NTTC] at Wheeling Jesuit College in Wheeling, WV. This project will enter its third year of activity in fiscal year 1991, after careful planning and development work was conducted by NASA in fiscal years 1989 and 1990. The Committee strongly believes that the NTTC is essential for the proper transfer of federally developed technologies to the private sector. In addition, it will help stimulate economic development throughout the Nation as well as enhance the ability of the United States to compete in the global marketplace. The Committee anticipates that NASA's development with the Center will continue over the next 5 fiscal years.

The Committee is aware of the need to develop enhanced technology that will enable search and rescue teams to more easily discover flight data recorders from aircraft whose accident sites are in a body of water. The Committee believes that since Federal Aviation Administration regulations require flight data recorders to have underwater detection devices, and NASA's historical role in developing aeronautical technology, NASA should carefully consider assisting efforts to improve the range of the underwater location devices, now limited to 1 mile.

The Committee's recommendation includes funds for the Commercial Experiment Transporter Program.

The Committee does not concur with the House earmark of $625,000 for Rural Enterprises, Inc.

The Committee recommends that NASA's Office of Commercial Programs initiate a feasibility assessment of the benefits to U.S. researchers of incorporating international microgravity payloads and experiment modules in its ongoing Center for Commercial Development of Space flight experiment program, along with a 5-year plan including cost estimates.

Aeronautical research and space technology.—The Committee recommends the full request of $512,000,000 for aeronautics and space technology. The Committee recommends the following changes from the administration request:

−$15,000,000 as a general reduction to be taken at the agency's discretion, but subject to the normal reprogramming requirements.

+$15,000,000 for high performance computing activities consistent with NASA's role in the Federal High Performance Computing Program. The Committee expects NASA to submit a detailed report on its plans to use these funds by November 1, 1990.

The Committee is aware of NASA's work in nonmetallic advanced composite technology research. NASA is encouraged to coordinate its work in this area with the Air Force and begin, to the extent practicable, a program in advanced metallic aeronautical materials technology development. Before undertaking such an effort, the Committee directs NASA to submit a report that details the rationale and scope for such an initiative.

Transatmospheric research and technology.—The Committee recommends $75,000,000 for transatmospheric research and technology for fiscal year 1991, $44,000,000 less than the budget request or the House allowance. This amount is still an increase of over 27 percent above last year's NASA contribution to this program.

The Committee believes that the program's restructuring into a consortia since last year has enhanced the program's credibility and technical focus. Nevertheless, budget constraints have prevented the Committee from providing the full request. In addition, the Committee is aware that the Senate version of the fiscal year 1991 Department of Defense authorization bill terminates this program due to budgetary pressures. The Committee will address the program's future after the DOD's role in the program is clarified during final deliberations on the fiscal year 1991 DOD budget.

Space research and technology.—The Committee recommends an appropriation of $285,900,000 for space research and technology, the same level as the 1990 appropriations. This is a reduction of $210,000,000 from the budget request. The bulk of the increase requested for this activity in the President's budget was for the space exploration initiative. As a result, the Committee has reduced funding due to the overall limits on the subcommittee's 302(b) allocation and testimony received from NASA about the agency's overall needs and spending priorities.

In addition, the Committee believes that it is premature to proceed with an extensive planning and technology program oriented toward a manned mission to return to the Moon and then to Mars without a clear, sustainable revenue source available for such an undertaking. NASA's preliminary studies on a manned mission to the Moon and Mars estimate a total program cost of over $500,000,000,000. The Committee believes that these figures will likely underestimate the potential cost of such a mission, and believe that moving on such an initiative, in the absence of providing a way to pay for it, is ill-advised in an era of enormous fiscal constraint.

The Committee is aware of the valuable work being done through NASA's space engineering research centers program and directs the agency to provide funds at a level no less than that provided for fiscal year 1990. In addition, the Committee strongly urges NASA to consider a second solicitation to bring the number of centers up to a total of 20 at the earliest possible date.

Exploration mission studies.—The Committee recommends no funds for exploration mission studies in fiscal year 1991. This is a reduction of $37,000,000 from the budget request, but is consistent with action taken by the House Appropriations Committee and the Senate authorization bill. It reflects the overall lower priorities for the Moon-Mars mission in a time of fiscal constraint.

Safety, reliability, and quality assurance.—The Committee does not concur with the House general reduction applied to this area. The Committee believes that funds for this area of NASA's work, particularly in light of recent problems experienced with a number of key flight projects, are far too important to be reduced at this time.

Academic programs.—The Committee recommends an additional $5,000,000 above the $50,100,000 for academic programs. The Committee believes that these funds should be allocated at the agency's discretion, subject to the normal reprogramming guidelines. The Committee expects an increase in both the Space Grant College Program above the budget request, as well as those activities for informal education, including the aerospace education services project [AESP]. The Committee does not concur with the general reduction applied by the House to this area.

The Committee believes that NASA should do more within its allotted resources for educational activities. In that regard, the Committee strongly recommends that the agency establish the Director of these activities as an Assistant Administrator. Further, the Committee strongly recommends that the Administrator require every NASA field center to establish a formal position for director of educational activities. This individual should be directed to substantially increase the involvement of NASA in all levels of education with the States and communities surrounding NASA's centers. The Committee expects a report from the Administrator on its progress in this area by February 1, 1991.

In addition, the Committee expects NASA to outline in its operating plan how it proposes to implement an experimental program to stimulate competitive research [EPSCOR] in fiscal year 1991 from within available funds. The Committee believes that NASA has a responsibility to work particularly with those areas of the Nation which have not historically benefited from research opportunities in space science and engineering to foster greater capability in science and technology disciplines. The Committee believes that NASA should use the National Science Foundation's EPSCOR program as the starting point for structuring its own program.

The Committee also encourages NASA to take additional steps to broaden the participation of underrepresented groups, particularly women and minorities, in its research and educational activities. The Committee directs the agency to submit a report by March 1, 1991, on how it plans to undertake such efforts.

The Committee has taken a general reduction of $5,000,000 subject to the normal reprogramming guidelines.

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

Appropriations, 1990	$4,550,715,000
Budget estimate, 1991	6,499,132,000
House allowance	6,530,351,000
Committee recommendation	6,319,132,000

PROGRAM DESCRIPTION

The space flight, control and data communications appropriation provides for the production and operational activities for the space transportation system and the tracking, telemetry, command, and data acquisition support of all NASA flight projects.

Shuttle production and operational capability and space transportation operations are the key elements of the space transportation system that are contained within this appropriation. The shuttle production and capability development program provides for the national fleet of space shuttle orbiters including main engines, launch site and mission operational control requirements, initial structural and operational spares, production tooling, and related supporting activities. Design and development activities will continue to complete those activities associated with the redesigned solid rocket motor, and to develop the advanced solid rocket motor. Development of the hardware required to increase the shuttle on orbit staytime to 16 days is being developed commercially. Procurement of expendable launch services for selected space science and applications missions consistent with implementation of the mixed fleet concept will be continued.

The space tracking and data acquisition program, using ground-based and satellite (tracking and data relay satellite system) components, provides vital tracking, telemetry, command, and data acquisition support for Earth-orbital spacecraft, planetary missions, sounding rockets, balloons, and research aircraft. Work will continue on the replacement tracking and data relay satellite spacecraft and on the second TDRSS ground terminal. Facilities are also provided to process into meaningful form the scientific, applications, and engineering data which are collected from flight projects.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $6,319,132,000 for the "Space flight, control, and data communications" account. This amount is $1,768,417,000 above the 1990 enacted level, $211,219,000 below the House level, and $180,000,000 below the budget estimate.

The Committee's recommendation includes an increase of $1,209,732,000, requested by the President and included by the House, to reduce all of NASA's outstanding debt to the Federal Financing Bank. None of these funds will be used by NASA for any agency programs or activities.

The Committee does not concur with the House in transferring $231,219,000 from the operation of installation activity in the "Research and program management" account to the "Space flight" account. The Committee believes funds for these activities should remain in the "Research and program management" account.

The amount proposed by the Committee includes $5,109,400,000 for space flight, control, and data communication activities. This is an increase of $558,685,000 over the 1990 enacted level, $20,000,000 above the House level, and $180,000,000 less than the budget estimate. This amount includes the following decreases and changes to the program areas described below:

- $80,000,000 from the $4,420,600,000 requested for the space transportation system, to be applied at the Agency's discretion, subject to the normal reprogramming guidelines. The Committee does not concur with the House in directing that $10,000,000 of any general reduction be made in the space shuttle's structural spares budget. Nor does the Committee concur with the House in exempting certain programs from any general reduction. Given the severe operational restraints which the Space Shuttle Program has faced in recent months, the Committee believes that NASA should be given more flexibility in examining how to absorb budget reductions in this area so long as any reductions be subject to the standard reprogramming procedures.

- $60,000,000 from the $309,100,000 requested for the Advanced Solid Rocket Motor Program. This reduction will still permit an increase of over 55 percent above the 1990 appropriation for this program. This reduction is made possible by a substantial carryover of unspent 1990 program funds, including the Committee's approval of a transfer of $35,000,000 from the "Construction of facilities" account in NASA's 1990 operating plan.
- $40,000,000 from the $868,800,000 requested for the space and ground networks, communications, and data systems. This reduction should be taken at the agency's discretion, subject to the normal reprogramming guidelines. The Committee directs NASA, however, to provide sufficient funds to maintain needed levels for space network operations, engineering, and support, as well as keep the White Sands ground terminal system replacement on schedule. Within the funds provided for space operations, the Committee has included the $1,000,000 requested in the budget to initiate rehabilitation on existing radio telescopes at the Green Bank Observatory to integrate it into the very long baseline interferometry [VLBI] subnet being developed by NASA's deep space network for use on international radio astronomy programs in conjunction with Japan and Soviet Union.

CONSTRUCTION OF FACILITIES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 1990	$443,960,000
Budget estimate, 1991	497,900,000
House allowance	485,000,000
Committee recommendation	497,900,000

PROGRAM DESCRIPTION

This appropriation provides for the contractual services for the design, repair, major rehabilitation, and modification of facilities; the construction of new facilities; minor construction; the purchase of land and equipment related to construction and modification; and advanced design related to facilities planned for future authorization.

COMMITTEE RECOMMENDATION

The Committee recommends $497,900,000 for the construction of facilities, $12,900,000 more than the level provided by the House and the same as the President's budget request.

The Committee makes the following changes to the budget request:

- $15,000,000 for the neutral buoyancy laboratory for Space Station Freedom, consistent with the general reduction for the space station program in the "Research and development" account.

- −$25,000,000 for the space station processing facility for Space Station Freedom, consistent with the general reduction for the space station program in the "Research and development" account.
- −$7,000,000 as a general reduction, to be taken at the agency's discretion, subject to the normal reprogramming guidelines.
- +$40,000,000 for the initiation of deferred rehabilitation and major maintenance activities at NASA's field centers.
- +$3,000,000 for construction of a wake shield facility, consistent with prior year construction activity in the Commercial Program Office.
- +$4,000,000 for construction associated with the classroom of the future software program in space science education.

RESEARCH AND PROGRAM MANAGEMENT

Appropriations, 1990	$1,990,464,000
Budget estimate, 1991	2,252,900,000
House allowance	1,446,212,000
Committee recommendation	2,232,900,000

PROGRAM DESCRIPTION

The research and program management appropriation supports the performance and management of research, technology, and test activities at NASA installations, and the planning, management, and support of contractor research and development tasks necessary to meet the Nation's objectives in aeronautical and space research. Specifically, this appropriation provides the technical and management capability of the civil service staff needed to conduct the full range of programs for which NASA is responsible; maintains facilities and laboratories in a state of operational capability and manages their use in support of research and development programs; and provides technical and administrative support for the research and development programs at NASA.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,232,900,000 for research and program management. This is an increase of $242,436,000 over the 1990 level, $786,688,000 above the House level, and $20,000,000 below the budget request.

The Committee does not concur with the House transfer of $806,688,000 in operation of installation funds from the "Research and program management" account to other NASA accounts.

The Committee recommendation includes the following changes to the budget request:

- +$10,000,000 for additional health and retirement benefit costs at NASA's field centers. These funds are needed due to an original miscalculation by the agency in its budget submission for this item.

- —$2,300,000 and 46 FTE's from the increase proposed for the Space Station Level II Program Office, consistent with general reductions in the Space Station Program.
- —$2,000,000 from the $54,056,000 requested for travel. This reduction will still provide for an increase of nearly 8 percent above the 1990 level.
- —$13,780,000 from operation of installations funds designated in the budget for an additional NASA administrative aircraft. While the Committee is sympathetic to the Agency's desire to upgrade its aging administrative aircraft fleet, it believes that such an objective enjoys a lower priority in the current restrained fiscal environment.
- —$11,920,000 as a general reduction, subject to the normal reprogramming requirements. While the Committee has not specified where these reductions should be made, it fully expects that the overwhelming majority of them will be made in NASA's headquarters operations.

In providing an increase in the "Research and program management" account of over 12 percent above the 1990 level, the Committee directs NASA to develop its initial 1991 operating plan without any expectation of a supplemental appropriation in 1991. This will prevent the recurrence of the situation that developed in fiscal year 1990 when the Agency devised its operating plan with the assumption of having the benefit of a supplemental appropriation for augmenting personnel needs at its field centers.

INSPECTOR GENERAL

Appropriations, 1990	$8,659,000
Budget estimate, 1991	11,000,000
House allowance	10,500,000
Committee recommendation	11,000,000

[1] Previously funded in the research and program management appropriation.

PROGRAM DESCRIPTION

The Office of the Inspector General [OIG] was established by the Inspector General Act of the 1978. The Office is responsible for providing agencywide audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $11,000,000 for the Office of the Inspector General in 1990. This is $500,000 above the House level and $2,341,000 above the 1990 appropriation.

ADMINISTRATIVE PROVISIONS

The Committee concurs with the House in adding bill language clarifying that the provision included in the fiscal year 1990 appropriations act dealing with the total amount of NASA prime and subcontracts directed to socially and economically disadvantaged individuals includes women-owned business as part of the definition of economically disadvantaged individuals.

The Committee has added additional language which limits NASA's headquarters staffing by program office in fiscal year 1991.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Direct loan limitation	Administrative expenses
Appropriations, 1990	($590,700,000)	($851,000)
Budget estimate, 1991	(600,000,000)	(893,000)
House allowance	(600,000,000)	(893,000)
Committee recommendation	(600,000,000)	(893,000)

PROGRAM DESCRIPTION

The National Credit Union Administration [NCUA] Central Liquidity Facility [CLF] was created by the National Credit Union Central Liquidity Facility Act (Public Law 95-630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95-630 to 12 times the amount of subscribed capital stock and surplus.

Loans are available to meet short-term requirements for funds attributable to emergency outflows from managerial difficulties or local economic downturns. Seasonal credit is also provided to accommodate fluctuations caused by cyclical changes in such areas as agriculture, education, and retail business. Loans can also be made to offset protracted credit problems caused by factors such as regional economic decline.

COMMITTEE RECOMMENDATION

The Committee concurs with the administration and House proposed limitations on loans and administrative expenses of $600,000,000 and $893,000, respectively.

However, as the cost of the savings and loan crisis continues to escalate rapidly, the Committee is concerned with other agencies having similar potential liabilities. The National Credit Union Administration [NCUA] currently has insured deposits of

$170,000,000,000. Although the NCUA and the credit union industry appear financially strong at this time, and the Committee would not want to imply otherwise to credit union shareholders, the fact that our Nation's credit unions are rapidly growing and changing, and other factors, dictate caution.

For example: The number of credit unions is declining while the size of individual credit unions is growing; the assets held by credit unions has grown from $18,000,000,000 in 1970 to nearly $200,000,000,000 in 1988; the credit unions' loan portfolios have become greatly diversified, from primarily personal loans to include mortgage loans, commercial loans, and others; the NCUA has seen a need to expand the size of its examiner staff and intensify examiner training; and the original common bond with credit union members has greatly diminished.

The General Accounting Office, at the Committee's request, is reviewing the activities of the National Credit Union Administration, but is not expected to issue its report for several months. Accordingly, the chairman is directed to report semiannually—on September 30, and as part of the appropriation hearing material—the following: (1) the number of new borrowers from the central liquidity facility, the amounts, and the circumstances; (2) the number of credit unions with a CAMEL rating of 4 or 5, and an explanation of any increase; (3) the number of credit unions declared insolvent, the circumstances, and resulting disbursements from the insurance fund; (4) the number of examiners on board, the staffing goal, and the reasons for any shortfall or decline from the previous 6 months; (5) the number of credit unions that have not been examined for at least 1 year, and the explanation for any increase; and (6) the general views of the NCUA on the soundness of the credit union industry and the insurance fund, disturbing trends, summaries of examiner findings, et cetera.

The Committee denies the administration's proposal to abolish the Community Development Credit Union revolving loan fund by making no new loans and transferring the unobligated balance to the Neighborhood Reinvestment Corporation. The Committee made clear last year its desire that loan disbursements be initiated. The National Credit Union Administration has advised the Committee that it has custody of the fund, and in accordance with previous congressional guidance, is now proceeding with loan processing and disbursement.

NATIONAL INSTITUTE OF BUILDING SCIENCES

PAYMENT TO THE NATIONAL INSTITUTE OF BUILDING SCIENCES

Appropriations, 1990	$492,000
Budget estimate, 1991	
House allowance	250,000
Committee recommendation	

PROGRAM DESCRIPTION

The National Institute of Building Sciences [NIBS] was authorized to be created by Public Law 93-383 in 1974 as a nonprofit, nongovernmental entity to be an authoritative national source to make findings and to advise both the public and private sectors of the economy, with respect to the use of building science and technology, in achieving nationally acceptable standards and other technical provisions for use in Federal, State, and local housing and building regulations. The basic mission of the Institute is to bring about a more rational housing and building regulatory climate and system and an effective mechanism for encouraging and facilitating the rapid and widespread introduction of existing and new building technology.

The Institute was to become self-sustaining after an initial period of Federal subsidy. During the fiscal years 1985–89, NIBS received $500,000 per year in Federal support from interest on a trust fund, which sunsets on September 30, 1989. The existing statute calls on NIBS to become self-supporting, deriving revenues from private sources, by fiscal year 1990.

COMMITTEE RECOMMENDATION

The Committee does not recommend that the Institute receive an appropriation. The House recommended that a direct appropriation of $250,000 be made to continue Federal support at its current level.

The Committee believes that many of NIBS' efforts on such things as lead-based paint and asbestos abatement have provided a valuable service to the Federal Government and housing industry, as anticipated by the authorizing legislation. However, the 1974 legislation creating NIBS intended that after a short period of support from Federal appropriations, NIBS would be financially self-sufficient through contract revenues and grants from the public and private sector. The Committee also notes that NIBS' financial situation has improved, with a net profit in fiscal year 1989 and the first quarter of 1990. Last, the Congress stated in the conference report for fiscal year 1990 that further direct funding of NIBS would not be considered unless such payments are authorized by legislation; no such authorization has been provided.

The Committee endorses and encourages the future efforts of NIBS, and recommends that NIBS keep the Committee advised of its activities and financial posture.

NATIONAL SCIENCE FOUNDATION

Appropriations, 1990	$2,080,608,000
Budget estimate, 1991	2,383,000,000
House allowance	2,337,000,000
Committee recommendation	2,364,192,000

GENERAL DESCRIPTION

The National Science Foundation [NSF] was established as an independent agency by the National Science Foundation Act of 1950 (Public Law 81–507) and is authorized to support basic and applied research, science and technology policy research, and related scientific and science and engineering education programs to promote the progress of science and engineering in the United States.

The Foundation supports fundamental and applied research in all major scientific and engineering disciplines, through grants, contracts, and other forms of assistance, such as cooperative agreements, awarded to more than 2,000 colleges and universities and to nonprofit organizations and other research organizations in all parts of the United States. The Foundation also encourages cooperative efforts by universities, industries, and Government.

NSF also supports major national and international science programs including the U.S. Antarctic Program and ocean drilling program.

Finally, the Foundation supports major national supercomputing, astronomy, and atmospheric research facilities. In fiscal year 1991 it provides for four national university-based supercomputer centers at San Diego, Illinois, Cornell, and Pittsburgh that serve all of the university-based research community. It also supports, through contracts, five national astronomy centers, and one national atmospheric research center. The centers provide telescopes and other facilities needed for advanced research. The six centers are: the National Radio Astronomy Observatory at Charlottesville, VA, which also operates the very large array radio astronomy facility near Socorro, NM, and a single-dish telescope at Green Bank, WV; the Kitt Peak National Observatory at Tucson, AZ; the Cerro Tololo Inter-American Observatory in Chile; the National Astronomy and Ionosphere Center in Puerto Rico; the Sacramento Peak Observatory at Sunspot, NM; and the National Center for Atmospheric Research at Boulder, CO.

NSF is a leading Federal supporter of basic research at academic institutions. It is estimated that the Foundation provides approximately 25 percent of Federal support for basic research going to academic institutions. In some fields, NSF provides the dominant share of Federal basic research support, including almost 70 percent in ground-based astronomy and ocean sciences, over 50 percent in environmental sciences, 75 percent in environmental biology, nearly 50 percent in mathematics, and nearly 30 percent in engineering. The National Science Foundation operates no in-house laboratories. Except for administrative costs (approximately 5 percent) and operations support costs for the U.S. Antarctic Program (about 8 percent), over 99 percent of all Federal funds appropriated to NSF go directly to non-Federal performers of scientific and engineering research and science and engineering education activities.

RESEARCH AND RELATED ACTIVITIES

Appropriations, 1990	$1,702,411,000
Budget estimate, 1991	1,954,000,000
House allowance	1,854,000,000
Committee recommendation	1,744,650,000

GENERAL DESCRIPTION

The research and related activities appropriation provides support for the Foundation's science, engineering, and international research programs. Separate appropriations are made for the education and human resources activities, program development and management, the U.S. Antarctic Program, U.S. Antarctic logistical support, and the Office of Inspector General.

The Foundation's discipline-oriented research programs are subdivided into the following activities; mathematical and physical sciences; engineering; geosciences; biological, behavioral, and social sciences; and computer and information science and engineering. Scientific, technological, and international affairs program development and management and NSF headquarters relocation are the other research and related activities within this appropriation.

In fiscal year 1991, the Foundation will maintain broad support across the mathematical and physical sciences, with special emphasis on the mathematical sciences materials research and strong experimental capability in all fields. Balance will also be maintained among individual research projects, special equipment programs, university laboratories, and national user facilities in accordance with scientific requirements. A laser interferometer gravitational wave observatory and two 8-meter optical/infrared telescopes are proposed. Support of undergraduate, graduate students and postdoctoral researchers, research instrumentation and equipment of all types will be stressed throughout. NSF also intends to maintain its focus on high temperature super-conductivity research, and completing construction of the very long baseline array [VLBA] for radioastronomy.

The program for engineering in fiscal year 1991 will continue to expand basic and applied engineering research, with continuing emphasis on engineering research centers. Special emphasis will include development of undergraduate education, research on the processing of advanced materials, optical high-speed communications and downstream biochemical processing.

The biological, behavioral, and social sciences activity will place particular research emphasis on the following in fiscal 1991: support for the genome mapping project; ecological responses to the human dimension of global change; developing biological data bases and continued provision of advance research instrumentation, including multiuser equipment and computational resources. Emphasis will continue on undergraduate activities including modernizing biology course curriculum.

In the geosciences activity, NSF intends to give priority to basic atmospheric research on regional weather, chemical processes in the atmosphere, and climate change; to Earth sciences related to earthquakes, and the structure and evolution of the continental crust; to ocean research related to oceanic crustal dynamics, circulation, and chemistry; to continuation of an Ocean Drilling Program; and to research in the Arctic. A major research focus is the global geosciences initiative whose goal is to understand how the Earth functions as a system of interrelated processes. Support is also included for the National Center for Atmospheric Research. Operation of university and oceanographic institution research ships will also be supported.

The computer and information science and engineering activity supports fundamental research in the computer and information science disciplines, and research on and provision of advanced computing and networking capabilities. Research programmatic topics supported in 1991 include the creation, representation, storage, transmission, and transformation of information. Special attention is devoted to high performance software systems, software development, development of new data base technologies and services, and application of specific computing systems. The activity also supports national centers for advanced scientific computing, supplying to researchers of all disciplines the most advanced scientific computation facilities available to the academic research community. The activity's NSFNET networking efforts build toward a national research and education network.

The scientific, technological, and international affairs activity supports programs which cut across scientific and engineering disciplines and across institutional and international boundaries to provide unique services to the science and technology community. Activities planned in fiscal year 1991 include programs that: support basic research by small businesses; emphasize cooperative scientific activities with the U.S.S.R. and Eastern Europe; assist underrepresented regions within the United States in building local science and technology resources; provide research and analysis on public policy issues pertaining to science and technology; and maintain comprehensive data bases on the Nation's science and engineering resources; and extend greater research opportunities to underrepresented segments of the scientific and engineering communities.

The science and technology center activity will operate a competition for a second class of science and technology centers. As in the first competition, no areas or subjects of science have been preselected.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,744,650,000 for research and related activities. This amount is $42,239,000 above the 1990 enacted level, $109,350,000 less than the House allowance, and $209,350,000 less than the budget request. The recommendation includes the following adjustments to the administration's request:

−$47,000,000 from the new start funding of the construction of the Laser Interferometer Gravitational Wave Observatory [LIGO]. This reduction is the same as proposed by the House. The Committee concurs with the House that this reduction is based on LIGO being a lower overall priority project and shares the concern that the NSF is unduly increasing big science at the expense of single-investigator research.

+$500,000 for LIGO-related activities within the mathematics and physical sciences activity for continued engineering and design work on the project in lieu of new start status for the project.

+$2,400,000 to the $9,800,000 requested for experimental programs to stimulate competitive research [EPSCOR]. This will enable NSF to add as many as four additional States to the EPSCOR Program.

−$102,500,000 for program development and management. Funding for this activity is included in a separate account.

−$5,500,000 for the NSF's agency relocation. Issues and funding related to this project will be addressed in the "Program development and management" account.

- −$22,350,000 from programs transferred from the Scientific, Technological and International Affairs Directorate to the Education and Human Resources Directorate in the Foundation's recent reorganization, for which funding has been provided in the "Education and human resources activities" account.
- −$20,000,000 for academic facilities modernization. Funds are provided for this activity in a separate account, the same structure as proposed by the House.
- +$1,000,000 to the request for the National Radio Astronomy Observatory for an advanced planning study on the value of a space communication station at the observatory which would link ground-based radio telescopes to space-based telescopes. The Committee notes that such a station may provide a valuable link between these two distinct kinds of telescopes and provide scientists with a better understanding of such things as black holes. In addition, the National Radio Astronomy Observatory offers a unique site for such a facility due to its location as the home of the new 100-meter radio telescope, now scheduled for operation in 1995.
- −$15,900,000 as a general reduction, to be taken at the agency's discretion, but subject to the normal reprogramming guidelines. This reduction is $9,100,000 less than the House general reduction.

The Committee recommends the $4,000,000 requested for engineering design studies and the purchase of glass for two new 8-meter optical telescopes. The Committee concurs with the House in insisting that the U.S. contribution to this project not exceed 50 percent of the total cost of the project, regardless if foreign participation is ultimately agreed to or not. As a result, the Committee expects that the U.S. share of this project will not exceed $88,000,000, one-half the current cost of the project as estimated by the NSF. In order to protect the U.S. investment in this important scientific project, the Committee directs the NSF to obligate fiscal year 1991 funds solely for work on the northern 8-meter telescope to be located on Mauna Kea, HI, until a firm, fixed, cost-sharing arrangement has been concluded with all foreign partners.

The Committee believes that global climate change research is among NSF's highest priorities and concurs with the House's support for NSF's growing participation in the Federal interagency program to produce scientifically credible assessments and impacts on human society. The Committee is aware of new scientific evidence that has found that a phenomenon known as coral bleaching, in which coral reefs change colors due to significant physiological stress, occurring on a global scale. The Committee directs the Foundation to undertake sufficient research efforts in fiscal year 1991 to investigate as to whether or not coral bleaching is a biological signal of the greenhouse effect. The Foundation should submit a preliminary report on its efforts to answer this question by May 1, 1991.

In addition, the Committee recognizes the need to investigate the role of heat and water transfer between the oceans and atmosphere, especially for the tropical Pacific Ocean. The Committee agrees with NSF's intent to augment the Tropical Oceans Global Atmosphere [TOGA] Program to obtain the rates of heat and water transfer and to prepare for TOGA's coupled ocean atmosphere response experiment in coming years. The Committee urges NSF to continue to support ocean research and engineering, especially on technology needed to exploit the resources of the exclusive economic zone of the Pacific Basin. Further, the Committee directs NSF to explore potential mitigation research on global warming with available oceanic strategies.

The Committee directs NSF to examine the National Academy of Sciences report and recommendations that NSF create a separate directorate and increase funding for psychology, behavioral science, and social science. The NSF shall report to the Committee by January 31, 1991, on its response.

The Committee urges the Foundation to provide sufficient funding in fiscal year 1991 to assure in fiscal year 1992 the completion and subsequent operation of the very long baseline array radio telescope.

The Committee requests that the Foundation maintain its archaeological research activities at a minimum of its fiscal year 1990 funding level.

The Committee notes the importance and supports the Foundation's leadership in supercomputer center operations and networking activities for research, education, and national economic competitiveness. The Foundation is urged to provide a maximum, balanced effort in this vital area of supercomputers. In addition, the Committee expects the Foundation to immediately upgrade the most heavily used connections within the NSFNET system, as planned for in the fiscal year 1991 budget, to avoid disruption in services needed for subscribers of the current network.

The Committee is aware of the Foundation's need for an arctic research vessel with icebreaking capabilities. The Foundation is urged to maintain its schedule for design, engineering evaluation, and potential procurement in accordance with normal competitive procedures and previously stated requirements.

The Committee also directs the National Science Foundation to make every effort to acquire or lease this research vessel through a shipyard located in the United States.

The Committee also directs the National Science Foundation to make every effort to acquire or lease this research vessel through a shipyard located in the United States.

The Committee encourages the Foundation to provide sufficient funds for earthquake engineering and research activities as part of the Foundation's efforts to respond to its role in the National Earthquake Hazard Mitigation Program. The Committee believes that last fall's Loma Prieta earthquake demonstrates the needs for a sound and consistent Federal commitment, particularly in engineering research, in order to better understand, and in turn to reduce, the risks to the public from this kind of natural disaster.

ACADEMIC RESEARCH FACILITIES MODERNIZATION

Appropriations, 1990	[1] $19,690,000
Budget estimate, 1991	
House allowance	20,000,000
Committee recommendation	20,478,000

[1] $20,000,000 provided in the "Research and related activities" account.

PROGRAM DESCRIPTION

In fiscal year 1991, the President's budget proposes to support this activity within the research and related activities.

The academic research facilities modernization supports the broadening and strengthening of the institutional facilities research base. This effort involves assessing research facility capacity and needs, helping to delineate roles and encourage facility investment and initiative development, and providing support for modernization.

COMMITTEE RECOMMENDATION

The Committee recommends a separate account for academic research facilities with an appropriation of $20,478,000. This amount is $788,000 above the 1990 enacted level for this activity, and is $478,000 more than the House allowance.

In 1988, the NSF identified a need to revitalize the Nation's research facilities at academic institutions, and in response Congress passed the Academic Research Facilities Modernization Act of 1988. The Committee is providing these funds for competitive proposals for this activity.

PROGRAM DEVELOPMENT AND MANAGEMENT

Appropriations, 1990	(1)
Budget estimate, 1991	(1)
House allowance	(1)
Committee recommendation	$99,000,000

[1] Funds provided in the "Research and related activities" account.

PROGRAM DESCRIPTION

The program development and management activity provides for the operation, support management, and direction of all Foundation programs and activities and includes necessary funds to develop, manage, and coordinate NSF programs.

COMMITTEE RECOMMENDATION

The Committee recommends a separate account for program development and management with an appropriation of $99,000,000. This amount is $2,617,000 more than the 1990 appropriation, $1,000,000 less than the House allowance, and $3,500,000 less that the budget request.

The Committee recommends the following changes from the administration request:

—$3,500 to be taken at the agency's discretion, subject to the normal reprogramming guidelines.

−$900,000 and 15 FTE's from the directorate for administration.
+$900,000 and 15 FTE's for the education and human resources directorate consistent with the increased demands on the directorate due to higher levels of programmatic activity and the work of the Federal Coordinating Committee on Science, Education and Technology [FCCSET] on a national science education strategy.

The Committee has included bill language that prohibits the National Science Foundation through the use of its own funds, or that of any other Federal agency, to relocate the NSF headquarters building or any NSF staff offices. The Committee does not believe that the Foundation or the General Services Administration adhered to their original commitment to have a fair and open metropolitanwide solicitation for a new NSF headquarters facility. As a result, taxpayers cannot be certain that they will be guaranteed the highest quality space at the lowest available cost for a new headquarters facility. The Committee will not entertain any relocation plan, nor will it provide additional funds for rent increases at the agency's existing headquarters building beyond fiscal year 1991, unless and until the Foundation reevaluates its policy about selecting a new agency headquarters that is consistent with its original commitments to the Committee.

The Committee concurs with the House in deleting bill language included in prior appropriation acts that capped the rate of pay for NSF rotator employees. In doing so, the Committee directs the Foundation to limit the number of individuals paid above the current salary cap to 25 per fiscal year. In addition, the Committee fully expects that the Foundation's fiscal year 1992 budget will provide the number of individuals actually hired above the existing salary cap, the positions they occupy at the Foundation, and a rationale for requiring such a high level of compensation.

U.S. ANTARCTIC PROGRAM ACTIVITIES

Appropriations, 1990	$71,953,000
Budget estimate, 1991	175,000,000
House allowance	100,000,000
Committee recommendation	100,000,000

PROGRAM DESCRIPTION

The U.S. Antarctic Program supports the national goals of maintaining the Antarctic Treaty, ensuring the continent will continue to be used for peaceful purposes only, fostering cooperative research to contribute to the solution of regional and worldwide problems, and protecting the environment and achieving equitable and wise use of living and nonliving resources. This U.S. Antarctic Research Program continues to be the principal expression of national interest and policy in Antarctica.

In fiscal year 1991, the Foundation will continue to support research intended to increase knowledge of the Antarctic continent and surrounding oceans by developing an understanding of the Antarctic ice sheets and the Antarctic physical, biological, geological, meteorological, atmospheric, chemical, and oceanographic processes. Emphasis will be given to research on geophysics, long-term ecological research, and the biological effects of increased ultraviolet radiation due to ozone depletion. In addition, the Foundation will continue a multiyear initiative to address safety, environmental, and health aspects of the U.S. Antarctic Program.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $100,000,000 for U.S. Antarctic program activities. This amount is $28,047,000 above the 1990 enacted level, the same as the House allowance, and $75,000,000 less than the budget request. The recommendation includes the following adjustment to the administration's request:

- −$75,000,000 from the $75,000,000 requested for logistical support activities in Antarctica. The funding for this activity is provided in a separate appropriation account. The $100,000,000 provided represents the full budget request for Antarctic program activities.

U.S. ANTARCTIC LOGISTICAL SUPPORT ACTIVITIES

Appropriations, 1990	$79,729,000
Budget estimate, 1991	
House allowance	75,000,000
Committee recommendation	75,000,000

PROGRAM DESCRIPTION

The U.S. Navy, the U.S. Coast Guard, and other Federal agencies provide the U.S. Antarctic Program with important procurement, operational, and construction support. In 1990, these activities were funded through an appropriation to the National Science Foundation used to reimburse Federal agencies for applicable activities. In 1991, the logistical support activities are included in the U.S. Antarctic Program activities in the President's budget request.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $75,000,000 for U.S. Antarctic logistical support activities. This amount is $4,729,000 less than the 1990 enacted level, the same as the House allowance, and $75,000,000 more than the budget request. These funds are for personnel support, air operations, surface transportation, Antarctic continent operations, and construction and procurement functions. The $75,000,000 level represents the full amount for logistical support activities included in the President's budget.

The Committee is aware of the importance of the NSF-owned aircraft and the need for maintenance in performing its mission in Antarctica. During the most recent austral summer, the aircraft experienced mechanical problems that contributed to cancellation, postponement of flights, and endangerment of life and property during a critical program period. The NSF is urged to give this problem particular attention and report back to the Committee by February 1, 1991, on its plan to expedite procurement of additional aircraft in advance of the current schedule through a multiagency plan.

EDUCATION AND HUMAN RESOURCES ACTIVITIES

Appropriations, 1990	$204,265,000
Budget estimate, 1991	273,350,000
House allowance	285,000,000
Committee recommendation	322,350,000

PROGRAM DESCRIPTION

The Foundation's education and human resources activity is designed to encourage the entrance of talented students into science and technology careers, to improve the undergraduate science and engineering education environment, to assist in providing all precollege students with a level of education in mathematics, science, and technology that reflects the needs of the Nation and is the highest quality attained anywhere in the world, and extend greater research opportunities to underrepresented segments of the scientific and engineering communities.

This activity supports, at an enhanced level, all programs formerly supported through the science and engineering education activity as well as institutional and individual development programs that were supported through research and related activities in 1990.

Graduate research fellowships provide support for the Nation's most able students to undertake graduate study in science and engineering. Each fellowship in fiscal year 1991 will provide a student stipend of $13,500 per year and a yearly cost of education allowance of $6,000 to the fellow's chosen institution. In fiscal year 1989, the National Science Foundation awarded 960 new graduate fellowships and approximately 2,280 students will receive fellowship support in the 1990–91 academic year. It is expected that approximately 100 additional new fellowships will be provided in fiscal year 1991.

At the undergraduate level, support is provided for improvement of science laboratories at 2- and 4-year colleges through purchase of equipment and encouragement of equipment sharing arrangements. Matching requirements (50 percent) extend the impact of the program and serve in many cases to establish new partnerships between colleges and private sector organizations. In addition, other programs support special undergraduate faculty enhancement efforts, curriculum and course development and projects to address the underrepresentation of women, minorities, and the disabled in science and engineering.

The precollege programs are designed to enhance the status and professionalism of science and mathematics teaching as a career, encourage the development of cooperative relationships among all segments of society that can assist in the improvement of precollege science and mathematics education, encourage the development of quality instruction programs, incorporate the usage of computers and other new technologies, support research in teaching and learning, identify new ideas and exemplary approaches to the long-term problems of continuing science and mathematics teacher education, and encourage talented secondary school students to consider careers in sciences and engineering.

The research initiation and improvement programs commit NSF to promoting full development and use of the scientific talent and technical skills of men and women of all ethnic, racial, and economic backgrounds in all regions of the Nation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $322,350,000 for science education activities. This amount is $118,085,000 above the 1990 enacted level, $37,350,000 more than the House allowance, and $71,350,000 more than the budget request. The recommendation includes the following adjustments to the administration's request:

+$5,000,000 to the $23,000,000 requested for science and mathematics education networks. This amount should be added only to the Statewide Initiatives Program, increasing the number of participating States by as much as 50 percent. The Committee believes this effort by NSF is central to the reform of science and math education in the United States. The Committee strongly believes that to be first in math and science as a nation by the year 2000 requires a fundamental change in the way we teach science and math at the precollege level. The Committee further believes that NSF, as the lead Federal agency for math and science education, is uniquely suited for the development and implementation of this very important merit-based program. The Committee fully expects the NSF to exert its leadership in math and science education in the management of this program. The Committee directs the Foundation to submit a report to it on its progress toward reform through this initiative by May 31, 1991.

+$30,000,000 to the $63,700,000 requested for teacher preparation and enhancement. The Committee believes this augmentation will guarantee NSF reaches 7 percent of the Nation's math and science teachers in fiscal year 1991, as many as 20,000 of the science and math teachers in the United States. The Committee believes that this level is insufficient, and directs the Foundation to submit a plan by January 31, 1991, that outlines how it intends to reach 20 percent of all math and science teachers annually by the beginning of fiscal year 1993.

+$7,000,000 to the $19,000,000 requested for informal science education activities. The Foundation should prepare a report on the distribution of these funds both by activity and geography, and submit it to the Committee by the end of fiscal year 1991. The Committee strongly believes that this is one particular area where a small investment can provide enormous dividends in stimulating the interest of young men and women in scientific disciplines, particularly at a young age.

+$2,000,000 to the $44,900,000 requested for research career development. These funds should be applied exclusively to the Minority Graduate Fellowships Program.

+$5,000,000 to the $5,000,000 requested for studies and program assessment. The Committee strongly believes this is one particular area in which the Foundation has failed to adequately focus in recent years and one in which NSF should be the Federal agency responsible for science and math program assessment. The Committee directs the Foundation to use these funds to initiate a comprehensive evaluation of all Federal math and science education programs, and to submit that report to the Committee by March 1, 1991. Within this evaluation, the Foundation should take careful steps to have its own programs reviewed so as to avoid any appearance of a conflict of interest. The Foundation should submit its work plan to the Committee for this effort by November 15, 1990. In addition, the Committee expects the Foundation to establish a biannual science and mathematics education indicator report, distinct from the science and engineering indicator report, that evaluates the progress of the United States in improving the science and math capability of its students, and the effectiveness of all Federal and State education programs as part of this process.

+$22,350,000 for programs transferred from the Scientific, Technological and International Affairs Directorate to the Education and Human Resources Directorate in the Foundation's recent reorganization.

The Committee continues to express its concern about the Foundation's textbook publishers' initiative. The Committee does not believe that the two past reports done on this subject by the Foundation for the Committee have been responsive to the Committee's central concerns about evaluating the quality and practical application of materials produced through this program. As a result, the Committee directs the Foundation to withhold funds for this activity in fiscal year 1991 until the Foundation provides a report to the Committee that clearly addresses its concerns expressed in prior year Committee reports.

The Committee notes that the issues presented by the environment offer many different integrated ways to teach science and mathematics. A specific focus on the ecology of the planet provides opportunities to introduce principles of chemistry, biology, physics, Earth sciences, and engineering to students. The most recent NSF long-range plan for science and engineering education focuses on the environment as an area to emphasize within NSF's science education programs. The Committee strongly supports this area of emphasis, and with the funds provided, NSF should move forward in this area. In addition, many of these same concepts were contained in the exemplary materials developed with NSF and private sector support for National Science and Technology Week—1990. The Committee commends the Foundation for these efforts and strongly encourages NSF to continue to increase its efforts to support and disseminate these kinds of activities.

The Committee is concerned about the lack of coordination in the dissemination of Federal math and science education materials. As a result, it directs the NSF to develop a plan to distribute and disseminate these materials in a timely fashion to teachers and in as geographically a dispersed method as is possible. Further, the Committee directs the Foundation to establish an independent evaluation of the effectiveness of this distribution and to report the results to the Committee by March 15, 1991.

The Committee notes that the behavioral sciences can provide important information that will help educators improve the way in which we teach and learn about science and technology. The Committee believes these disciplines have much to offer in terms of applying new ways to stimulate and motivate students, particularly those in the kindergarten through 12 grade level, in the study of science and technology.

The Committee urges the Foundation to conduct a demonstration program of competitive grants to students in grades 5–12 to enable them to participate in multisession science and math enrichment programs, camps, short courses, and similar offerings. The Committee expects such grants to be made available in all States and that special consideration be give to underrepresented groups, including intercity and rural youths, who require assistance to participate in such programs. NSF should report its plans for this program to the Committee by February 14, 1991.

The Committee believes that computer technology promises to enhance instructional efforts in math and science in primary and secondary schools throughout the Nation. As a result, the Committee encourages NSF to invest resources in the development and implementation of computer-based teaching programs in math and science for grades 6 through 12.

The Committee notes the rapid development of NSF's computer network, NSFNET, as a national research and education tool. The network offers enhanced opportunities for scientists and engineers to exchange information, collaborate on research activities, and disseminate information. The Committee requests that NSF examine ways to improve its dissemination of math and science education materials, especially through use of NSFNET, and report to the Committee by March 31, 1991.

The Committee continues to applaud NSF's efforts to increase the participation of women and minorities in science and engineering. NSF is urged to continue its data collection in this area and monitor progress. Where effective, NSF shall stimulate more participation of women and minorities through its leadership in establishing partnerships with industry, academia, and governments.

The Committee urges NSF to design and initiate an undergraduate scholarship program to support students majoring in science or mathematics who intend to become elementary or secondary school teachers of science or mathematics. NSF should also consider innovative management approaches in this program to retain the scholarship recipients in science and mathematics education. NSF should report its plans for this program to the Committee by February 14, 1991.

The Committee notes a growing interest to establish a Graduate Traineeship Program in NSF. Envisioned is a program of NSF graduate traineeships in math, science, and engineering for those universities that have strong academic programs but have historically received relatively little Federal research funds. Such traineeships will enable these institutions, generally referred to by NSF as category II schools, to attract more of the top graduate students in these fields, thereby boosting the overall scientific and research work of the university. The Committee endorses this approach to addressing the projected shortfall of critically needed scientists and engineers and to geographically broaden participation of academic institutions. Therefore, NSF is directed to consider implementation of this program.

INSPECTOR GENERAL

Appropriations, 1990	$2,560,000
Budget estimate, 1991	3,000,000
House allowance	3,000,000
Committee recommendation	2,714,000

GENERAL DESCRIPTION

In 1991 the Office of Inspector General appropriation provides audit and investigation functions to identify and correct deficiencies which could create potential instances of fraud, waste, or mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,714,000 for the Office of Inspector General. This amount is $154,000 above the 1990 appropriation and $286,000 less than the House allowance and the budget request. It will permit the Office to function at approximately a current services level of activity in fiscal year 1991.

NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 1990	$26,554,000
Budget estimate, 1991	17,895,000
(By transfer)	(6,605,000)
House allowance	24,500,000
Committee recommendation	25,554,000

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95–557, Oct. 31, 1978). The Corporation, through the neighborworks network—Neighborhood Housing Services [NHS] Apartment Improvement and Mutual Housing Association Programs—improves the quality of life in distressed neighborhoods for current residents, exerts a long-term stabilizing influence on the neighborhood business environment, reverses neighborhood decline and reduces the risks of doing business in the neighborhood. Neighborworks programs have been positively impacting urban neighborhoods for two decades. More recent experience is also demonstrating the success of this approach in rural communities when given the availability of adequate resources.

In 1991, the Corporation will continue to develop NHS's and Mutual Housing Association programs to the extent resources allow; provide assistance to NHS programs expanding to additional neighborhoods; and assist local programs with designing and implementing the individual plans and strategies needed to accomplish their particular goals leading to the neighborhood becoming self-reliant. Ongoing technical services (training, internal systems analyses, interim staffing, et cetera) will continue to be provided to local programs to the extent that resources allow. The Corporation also plans to continue selecting neighborhood preservation projects on a limited basis for support, monitoring, and evaluation; and replicating promising strategies and mechanisms in other localities.

The Corporation also plans to continue providing, on a limited basis and subject to the availability of low-cost capital, resources to enable NHS's to expand their services to tackle specific difficult issues standing in the way of realizing neighborhood goals and achieving neighborhood self-reliance. With these supplements, the NHS can address such elements as more distressed neighborhoods, lower-income households, a higher proportion of renters and apartment buildings, more blighted buildings, scattered vacant lots, decaying commercial strips, lack of availability of affordable housing, and other negative conditions. Program supplements include homeownership promotion strategies in appropriate markets, multifamily housing strategies, problem properties strategies, acquisition of foreclosed properties, and neighborhood economic development and commercial revitalization strategies.

The Corporation will continue to provide fundraising counseling to neighborworks programs throughout the country, utilizing the assistance of Neighborhood Housing Services of America [NHSA], a private, nonprofit, State chartered, tax exempt corporation established to give added private sector strength to neighborworks partnership organizations. NHSA provides fund-raising training seminars for neighborworks programs and directs fundraising counseling to neighborworks programs toward local, regional, and statewide fundraising goals. Additionally, NHSA is raising social investment capital in support of its secondary market. Considerable progress has been made in the development of sound investment commitments. NHSA's capacity to keep pace with NHS secondary market needs with primary reliance on private, rather than Neighborhood Reinvestment, resources, however, is constrained by a difficult fundraising environment and an overriding need for local fundraising assistance.

The Corporation plans to continue to expand the number of Mutual Housing Association developments, subject to availability of local and State capital grant resources.

COMMITTEE RECOMMENDATION

The Committee recommends $25,504,000 in new budget authority for the Corporation. This amount is $1,054,000 above the budget request and House allowance. The Committee expects that this amount should guarantee maintaining all field activities and all field staff at existing levels.

The Committee has found that NRC's budget justifications in recent years have not been as informative as desired. To provide a thorough understanding of the recent activities of NRC, the Committee directs the General Accounting Office to perform a comprehensive review and report covering all aspects of NRC, to include NRC's plans and achievements in accomplishing its legislated mission, economy and efficiency of NRC's operation, and recommendations for changes or redirection.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriations, 1990	$25,905,000
Budget estimate, 1991	26,635,000
House allowance	26,635,000
Committee recommendation	26,635,000

PROGRAM DESCRIPTION

The Selective Service System was reestablished by the Selective Service System Act of 1948. The basic mission of the System is to be prepared to supply to the Armed Forces manpower adequate to insure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which men will be brought into the military if Congress and the President should authorize a return to the draft.

Selective Service reserve forces officers are a critical resource to ensure mobilization readiness of the Agency. They are continuously undergoing training to mobilize the system in the event of a return to conscription. In addition, over 11,000 uncompensated civilian volunteers are trained annually to perform as board members to insure equity and the rapid processing of registrant claims in order to ensure timely delivery of prospective inductees to the military entrance processing stations.

Registration was reinstituted in July 1980. Since then, each President and Congress have supported the program as an enhancement to mobilization readiness.

Registration improvement is an integral part of the Selective Service efforts to maintain high compliance percentages. Since the reinstitution of registration, Selective Service has been faced with the need to reestablish and maintain public awareness of registration requirements, and to perform this important task with limited personnel and only part-time staff at the State and local levels. Currently, Selective Service is conducting a limited public information campaign designed to inform young men of their obligation to register and the consequences of not doing so. The Selective Service is utilizing its resources in continuing promotional activities to keep registration information in the public eye.

In an effort to identify young men who have not registered, Selective Service is carrying out a compliance program. Procedures have been developed for matching computerized records of registrants with those of the Social Security Administration, the Department of Veterans Affairs, the Department of Education, the department of motor vehicles within the various States and territories, and other agencies in the public and private sectors.

In December 1987, Selective Service was tasked by law (Public Law 100-180) to develop plans for a health care personnel delivery system capable of providing the necessary critically skilled health care personnel to the Armed Forces in time of war. Work on this task is ongoing using very limited existing resources.

COMMITTEE RECOMMENDATION

The Committee recommends $26,635,000 for the Selective Service System. This amount is the same as the administration's request and the House allowance, and is an increase of $730,000 above the fiscal year 1990 appropriation.

The Committee directs the Selective Service to restore the public awareness activities to $450,000 by taking funds from the general personnel costs and none from the State boards activities. This act shall be done according to the normal reprogramming guidelines.

TITLE IV

CORPORATION

FEDERAL DEPOSIT INSURANCE CORPORATION

FSLIC RESOLUTION FUND

Appropriations, 1990	$4,962,000,000
Budget estimate, 1991	2,915,744,000
House allowance	2,915,744,000
Committee recommendation	4,398,000,000

PROGRAM DESCRIPTION

Section 215 of the Financial Institutions Reform, Recovery, and Enforcement Act [FIRREA] of 1989 (Public Law 101-73) establishes the FSLIC resolution fund as a separate fund under the management of the Federal Deposit Insurance Corporation [FDIC]. It assumes all assets and liabilities of the Federal Savings and Loan Insurance Corporation [FSLIC] except those expressly assumed by the Resolution Trust Corporation [RTC] under FIRREA.

To meet its obligations arising from past transactions of the FSLIC and other administrative expenses, the FSLIC resolution fund may use funds available to it from several sources: income earned on its assets; returns from receiverships not required for use by the Financing Corporation [FICO] or the Resolution Funding Corporation [REFCORP]; proceeds from the sale of FICO bonds; and through 1991, insurance assessments on savings association insurance fund members not required for use by FICO or REFCORP. To the extent such funds are insufficient to meet the obligations of the FSLIC resolution fund, FIRREA authorizes to be appropriated to the Secretary of the Treasury such funds as may be necessary to cover the shortfall.

COMMITTEE RECOMMENDATION

The Committee recommends a fixed appropriation of $4,398,000,000. This amount is $1,482,256,000 more than the House estimate and the President's budget request.

The administration seeks, and the House also proposes, a current indefinite appropriation, as was provided by the Congress last year. The Committee is concerned, however, by the fact that the administration's estimated needs for appropriated funds for fiscal year 1990 were substantially understated, and that the estimate for fiscal year 1991 has also risen by $1,482,000,000 since initial release of the administration's budget proposal. Further, FDIC advises that it may find it desirable to buy out several of the assistance agreements entered into by the Federal Home Loan Bank Board, which could further substantially increase 1991 fund requirements.

The large and continually escalating amount of funds projected to be needed to resolve the savings and loan crisis is a matter of serious concern to this Committee. Further, there are indications in the news media and elsewhere that the 1988 assistance agreements may be disadvantageous to the Government, and that the FDIC may not be assuring that the best interests of the Federal Government are achieved (the General Accounting Office has reported that weaknesses in FDIC's oversight of the assisted S&L's asset management and disposition does not assure that the Federal Government's costs of these transactions are being minimized; GAO/GGD-90-93, July 19, 1990).

As a result, the Committee believes the Congress should assure that it is kept informed and consulted on matters having such a major impact on the deficit and on Gramm-Rudman-Hollings sequestrations. Accordingly, the Committee recommends a fixed appropriation of $4,398,000,000, the administration's current estimated need for appropriated funds.

Because of these concerns, the Committee also directs the Chairman of the Federal Deposit Insurance Corporation to submit quarterly reports on the FSLIC resolution fund activities describing the source and application of funds, highlighting any deviation from the cost or value estimates set forth in the report required by section 501 of the Financial Institutions Reform, Recovery, and Enforcement Act, and to discuss with the Committee, sufficiently in advance to consider a supplemental appropriation, any anticipated exhaustion of appropriated funds and the reasons therefore.

RESOLUTION TRUST CORPORATION

INSPECTOR GENERAL

Appropriations, 1990	(1)
Budget estimate, 1991	$10,785,000
House allowance	10,785,000
Committee recommendation	10,785,000

[1] Funded within the Resolution Trust Corporation revolving fund.

PROGRAM DESCRIPTION

This is a new appropriation, the necessity for which was created by section 501(b) of Public Law 101-73, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA]. Resolution Trust Corporation [RTC] inspector general activities were funded by RTC as part of the management and administrative expenses of the RTC during fiscal year 1990.

Section 501(a) of FIRREA established the Resolution Trust Corporation to carry out a program to, among other things, manage and resolve cases involving savings and loan associations for which a conservator or receiver had been appointed or is appointed during the period beginning January 1, 1989, and ending August 9, 1992.

This appropriation provides audit and investigative functions for all RTC programs and operations. The audit function provides oversight and evaluation of Corporation activities, and serves to identify and correct conditions allowing potential fraud, waste, and mismanagement in RTC programs and operations. The investigative function provides for the detection and investigation of improper and illegal activities involving Corporation programs, personnel, contractors, and operations.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $10,785,000. This is the same as both the administration request and the House allowance.

The administration's proposal for the newly established RTC Office of Inspector General was based on the estimated cost of a staff of 150. While the Office does not expect to be fully staffed by the beginning of fiscal year 1991, the possibility exists for interim efforts such as contract audits. Accordingly, the Committee recommends appropriating the full amount requested.

TITLE V—GENERAL PROVISIONS

The Committee concurs with all general provisions included in the House-passed VA, HUD, and Independent Agencies appropriations bill with the following exceptions:

The Committee has deleted the provision included in last year's bill which sanctions communities by withholding their community development block grant funds if they do not adopt policies prohibiting the use of excessive force by law enforcement agencies under their control. This matter is currently under review by the appropriate legislative committees and has been addressed through a permanent solution to this issue in housing reauthorization legislation that passed the Senate earlier this year and is now currently in conference with the House.

The Committee has included several general provisions not included by the House.

First, it has reinstated language included in last year's Appropriations Act that limited the number of political appointees at the Department of Housing and Urban Development to 13 percent unless the Office of Personnel Management provides a waiver to exceed that limit upon the submission of adequate justification by HUD.

Second, the Committee has included a provision that prohibits the use of funds appropriated, or otherwise made available to HUD, for first-class travel unless required by medical necessity.

Third, the Committee has included a provision that prohibits the Department of Veterans Affairs from entering into leases above $50,000, unless specifically provided for in Appropriations Acts.

Finally, the Committee has included two provisions that make clear that the bill codifies all aspects of title II of the Committee's report with respect to the Department of Housing and Urban Development. All activities not specifically mentioned, or otherwise provided for, in the Committee's report with respect to HUD, shall be limited to the levels in the budget estimates submitted for appropriations.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

With respect to this bill, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1991: Subcommittee on VA, HUD, and Independent Agencies	78,861	78,588	78,890	[1] 78,439
Projections of outlays associated with budget authority recommended in the bill:				
1991				[2] 40,582
1992				15,907
1993				7,307
1994				5,551
1995 and future year				10,915
Financial assistance to State and local governments for 1991 in the bill		26,782		1,853
	Direct loans		Loan guarantees	
Credit authority estimates, fiscal year 1991	NA	371	NA	59,003

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

Note.—The subcommittee is within its allocation for both discretionary budget authority and outlays.

NA—Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991

[Amounts in dollars]

Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or –) 1990 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I							
DEPARTMENT OF VETERANS AFFAIRS							
Veterans Benefits Administration							
Compensation and pensions	15,555,495,000	15,204,451,000	15,684,551,000	15,684,551,000	+129,056,000	+480,100,000	---
Readjustment benefits	497,813,000	502,500,000	502,500,000	502,500,000	+4,687,000	---	---
Veterans insurance and indemnities	13,940,000	15,410,000	15,410,000	15,410,000	+1,470,000	---	---
Loan guaranty revolving fund	558,500,000	512,200,000	670,200,000	670,200,000	+111,700,000	+158,000,000	---
Guaranty and indemnity fund	---	80,800,000	80,800,000	80,800,000	+80,800,000	---	---
Direct loan revolving fund (limitation on direct loans)	(985,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+15,000)	---	---
Total, Veterans Benefits Administration	16,625,748,000	16,315,361,000	16,953,461,000	16,953,461,000	+327,713,000	+638,100,000	---
Veterans Health Service and Research Administration							
Medical care	11,419,706,000	12,227,066,000	12,310,490,000	12,227,066,000	+807,360,000	---	-83,424,000
Medical and prosthetic research	212,652,000	198,537,000	216,795,000	226,537,000	+13,885,000	+28,000,000	+9,742,000
Health professionals scholarships program	9,601,000	9,606,000	9,606,000	10,606,000	+1,005,000	+1,000,000	+1,000,000
Medical administration and miscellaneous operating expenses	37,096,000	38,123,000	42,441,000	37,123,000	+27,000	-1,000,000	-5,318,000
Grants to the Republic of the Philippines	492,000	484,000	484,000	484,000	-8,000	---	---
Total, Veterans Health Service and Research Administration	11,679,547,000	12,473,816,000	12,579,816,000	12,501,816,000	+822,269,000	+28,000,000	-78,000,000
Departmental Administration							
General operating expenses	811,628,000	902,514,000	902,514,000	865,415,000	+53,787,000	-37,099,000	-37,099,000
Office of Inspector General	21,786,000	26,859,000	26,859,000	24,859,000	+3,073,000	-2,000,000	-2,000,000
Construction, major projects	408,542,000	530,000,000	575,456,000	522,459,000	+113,917,000	-7,541,000	-52,997,000
Construction, minor projects	91,637,000	145,640,000	146,140,000	130,640,000	+39,003,000	-15,000,000	-15,500,000
(Limitation on administrative expenses)	(43,452,000)	(44,420,000)	(44,420,000)	(44,420,000)	(+968,000)	---	---
Parking garage revolving fund	28,543,000	18,900,000	28,900,000	18,900,000	-9,643,000	---	-10,000,000
Grants for construction of State extended care facilities	41,349,000	42,000,000	65,000,000	70,000,000	+28,651,000	+28,000,000	+5,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued

[Amounts in dollars]

Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or –): 1990 appropriation (6)	Budget estimate (7)	House allowance (8)
Grants for the construction of State veterans cemeteries	4,288,000	3,946,000	3,946,000	3,946,000	-342,000	---	---
Total, Departmental Administration	1,407,773,000	1,669,859,000	1,748,815,000	1,636,219,000	+228,446,000	-33,640,000	-112,596,000
Total, title I, Department of Veterans Affairs:							
New budget (obligational) authority	29,713,068,000	30,459,036,000	31,282,092,000	31,091,496,000	+1,378,428,000	+632,460,000	-190,596,000
(Limitation on direct loans)	(985,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+15,000)	---	---
(Limitation on administrative expenses)	(43,452,000)	(44,420,000)	(44,420,000)	(44,420,000)	(+968,000)	---	---
TITLE II							
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Housing Programs							
Annual contributions for assisted housing	7,799,355,000	7,352,317,300	11,625,086,000	10,810,000,000	+3,010,645,000	+3,457,682,700	-815,086,000
Rescission of assisted housing deobligations (budget authority, indefinite)	-311,236,000	-236,375,000	-236,375,000	-236,375,000	+74,861,000	---	---
(By transfer)	---	(157,000,000)	(70,000,000)	---	---	(-157,000,000)	(-70,000,000)
Total, annual contributions for assisted housing (net)	7,488,119,000	7,115,942,300	11,388,711,000	10,573,625,000	+3,085,506,000	+3,457,682,700	-815,086,000
Assistance for the renewal of expiring section 8 subsidy contracts	1,074,492,000	7,734,985,400	7,734,985,400	7,734,985,400	+6,660,493,400	---	---
Rental rehabilitation grants	127,985,000	70,000,000	135,000,000	70,000,000	-57,985,000	---	-65,000,000
Rental housing assistance:							
Rescission of budget authority, indefinite	-48,000,000	-46,000,000	-46,000,000	-46,000,000	+2,000,000	---	---
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-2,000,000)	(-2,000,000)	(-2,000,000)	---	---	---
Housing for the elderly or handicapped fund:							
(Limitation on direct loans)	(472,664,000)	(282,543,000)	(491,570,000)	---	(-472,664,000)	(-282,543,000)	(-491,570,000)
Authority to borrow, indefinite	412,969,000	220,480,000	437,044,000	---	-412,969,000	-220,480,000	-437,044,000
Congregate services	5,829,000	---	7,000,000	12,000,000	+6,171,000	+12,000,000	+5,000,000
Payments for operation of low-income housing projects	1,865,031,000	1,825,731,000	2,000,000,000	2,001,300,000	+136,269,000	+175,569,000	+1,300,000
Housing counseling assistance	3,446,000	3,500,000	5,000,000	8,000,000	+4,554,000	+4,500,000	+3,000,000

Federal Housing Administration Fund	350,093,000	---	317,366,000	317,366,000	-32,727,000	+317,366,000	---
(Limitation on guaranteed loans)	(73,837,500,000)	---	(75,000,000,000)	(75,000,000,000)	(+1,162,500,000)	(+75,000,000,000)	---
Temporary mortgage assistance payments (limitation on direct loans)	(87,227,000)	---	(151,125,000)	(151,125,000)	(+63,898,000)	(+151,125,000)	---
FHA - Mututal Mortage and Cooperative Manangement Housing Insurance Funds:							
(Limitation on guaranteed loans)	---	(62,000,000,000)	---	---	---	(-62,000,000,000)	---
(Limitation on direct loans, TMAP)	---	(123,500,000)	---	---	---	(-123,500,000)	---
FHA - General and special risk insurance funds	---	317,366,000	---	---	---	-317,366,000	---
(Limitation on guaranteed loans)	---	(13,000,000,000)	---	---	---	(-13,000,000,000)	---
(Limitation on direct loans, TMAP)	---	(27,625,000)	---	---	---	(-27,625,000)	---
Total, Federal Housing Administration Fund	350,093,000	317,366,000	317,366,000	317,366,000	-32,727,000	---	---
Nonprofit sponsor assistance (limitation on direct loans)	(1,069,000)	(530,000)	(1,100,000)	---	(-1,069,000)	(-530,000)	(-1,100,000)
Homeownership and opportunity for people everywhere grants (HOPE grants)	---	250,000,000	---	---	---	-250,000,000	---
Drug elimination grants for low-income housing	---	150,000,000	100,000,000	150,000,000	+150,000,000	---	+50,000,000
Government National Mortgage Association							
Guarantees of mortgage-backed securities (limitation on guaranteed loans)	(81,713,500,000)	(80,000,000,000)	(80,000,000,000)	(80,000,000,000)	(-1,713,500,000)	---	---
Total, Housing Programs (net)	11,279,964,000	17,642,004,700	22,079,106,400	20,821,276,400	+9,541,312,400	+3,179,271,700	-1,257,830,000
Homeless Assistance							
Emergency shelter grants program	73,164,000	71,285,000	75,000,000	73,164,000	---	+1,879,000	-1,836,000
Transitional and supportive housing demonstration program	126,825,000	143,592,000	150,000,000	143,592,000	+16,767,000	---	-6,408,000
Supplemental assistance for facilities to assist the homeless	10,830,000	161,000,000	15,000,000	11,263,000	+433,000	-149,737,000	-3,737,000
Section 8 moderate rehabilitation: Single room occupancy	73,185,000	49,571,300	100,000,000	105,000,000	+31,815,000	+55,428,700	+5,000,000
Total, Homeless Assistance	284,004,000	425,448,300	340,000,000	333,019,000	+49,015,000	-92,429,300	-6,981,000
Community Planning and Development							
Community development grants	2,926,514,000	2,756,000,000	3,000,000,000	3,200,000,000	+273,486,000	+444,000,000	+200,000,000
(Limitation on guaranteed loans)	(141,768,000)	---	(140,000,000)	(250,000,000)	(+108,232,000)	(+250,000,000)	(+110,000,000)
Urban development action grants (rescission)	-11,450,000	-10,000,000	---	---	+11,450,000	+10,000,000	---
Urban homesteading	12,995,000	50,000,000	15,000,000	13,000,000	+5,000	-37,000,000	-2,000,000
Total, Community Planning and Development	2,928,059,000	2,796,000,000	3,015,000,000	3,213,000,000	+284,941,000	+417,000,000	+198,000,000
Policy Development and Research							
Research and technology	20,426,000	23,000,000	30,000,000	27,000,000	+6,574,000	+4,000,000	-3,000,000
(By transfer)	---	(25,000,000)	---	---	---	(-25,000,000)	---
Fair Housing and Equal Opportunity							
Fair housing activities	12,410,000	12,200,000	12,200,000	12,410,000	---	+210,000	+210,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued

[Amounts in dollars]

Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or –) 1990 appropriation (6)	Budget estimate (7)	House allowance (8)
Management and Administration							
Salaries and expenses	345,407,000	426,124,000	426,124,000	432,000,000	+86,593,000	+5,876,000	+5,876,000
(By transfer, limitation on FHA corporate funds)	(385,659,000)	(380,342,000)	(390,342,000)	(396,000,000)	(+10,341,000)	(+15,658,000)	(+5,658,000)
Office of Inspector General	23,795,000	29,283,000	29,283,000	29,283,000	+5,488,000	---	---
(By transfer, limitation on FHA corporate funds)	(6,391,000)	(8,557,000)	(8,557,000)	(10,000,000)	(+3,609,000)	(+1,443,000)	(+1,443,000)
Total, title II, Department of Housing and Urban Development:							
New budget (obligational) authority (net)	14,894,065,000	21,354,060,000	25,931,713,400	24,867,988,400	+9,973,923,400	+3,513,928,400	-1,063,725,000
Appropriations	(14,851,782,000)	(21,425,955,000)	(25,777,044,400)	(25,150,363,400)	(+10,298,581,400)	(+3,724,408,400)	(-626,681,000)
Authority to borrow	(412,969,000)	(220,480,000)	(437,044,000)	---	(-412,969,000)	(-220,480,000)	(-437,044,000)
Rescissions	(-370,686,000)	(-292,375,000)	(-282,375,000)	(-282,375,000)	(+88,311,000)	(+10,000,000)	---
(By transfer)	---	(182,000,000)	(70,000,000)	---	---	(-182,000,000)	(-70,000,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-2,000,000)	(-2,000,000)	(-2,000,000)	---	---	---
(Limitation on direct loans)	(560,960,000)	(434,198,000)	(643,795,000)	(151,125,000)	(-409,835,000)	(-283,073,000)	(-492,670,000)
(Limitation on guaranteed loans)	(155,692,768,000)	(155,000,000,000)	(155,140,000,000)	(155,250,000,000)	(-442,768,000)	(+250,000,000)	(+110,000,000)
(Limitation on corporate funds to be expended)	(392,050,000)	(388,899,000)	(398,899,000)	(406,000,000)	(+13,950,000)	(+17,101,000)	(+7,101,000)
TITLE III							
INDEPENDENT AGENCIES							
American Battle Monuments Commission							
Salaries and expenses	16,032,000	15,402,000	15,900,000	15,402,000	-630,000	---	-498,000
Commission on National and Community Service							
Salaries and expenses	---	---	---	2,000,000	+2,000,000	+2,000,000	+2,000,000
Program activities	---	---	---	98,000,000	+98,000,000	+98,000,000	+98,000,000
Consumer Product Safety Commission							
Salaries and expenses	35,147,000	35,609,000	37,109,000	36,709,000	+1,562,000	+1,100,000	-400,000

Court of Veterans Appeals							
Salaries and expenses	3,893,000	9,560,000	9,560,000	4,127,000	+234,000	-5,433,000	-5,433,000
Department of Defense - Civil							
Cemeterial Expenses, Army							
Salaries and expenses	12,374,000	12,236,000	12,236,000	12,236,000	-138,000	---	---
Environmental Protection Agency							
Salaries and expenses	864,409,000	999,700,000	995,000,000	949,700,000	+85,291,000	-50,000,000	-45,300,000
Office of Inspector General	30,903,000	38,709,000	37,000,000	33,709,000	+2,806,000	-5,000,000	-3,291,000
Research and development	229,820,000	249,000,000	254,900,000	249,000,000	+19,180,000	---	-5,900,000
Abatement, control, and compliance	798,434,000	865,300,000	1,006,525,000	985,300,000	+186,866,000	+120,000,000	-21,225,000
Buildings and facilities	14,652,000	13,000,000	34,000,000	19,000,000	+4,348,000	+6,000,000	-15,000,000
Subtotal, operating programs	1,938,218,000	2,165,709,000	2,327,425,000	2,236,709,000	+298,491,000	+71,000,000	-90,716,000
Hazardous substance superfund	1,530,228,000	1,740,000,000	1,610,200,000	1,616,228,000	+86,000,000	-123,772,000	+6,028,000
(Limitation on administrative expenses)	(213,825,000)	(230,000,000)	(233,000,000)	(233,000,000)	(+19,175,000)	(+3,000,000)	---
Leaking underground storage tank trust fund	74,097,000	75,000,000	75,000,000	65,000,000	-9,097,000	-10,000,000	-10,000,000
(Limitation on administrative expenses)	(5,834,000)	(6,000,000)	(6,000,000)	(6,000,000)	(+166,000)	---	---
Construction grants	1,991,720,000	1,600,000,000	2,000,000,000	2,100,000,000	+108,280,000	+500,000,000	+100,000,000
Rescission	-47,700,000	---	---	---	+47,700,000	---	---
Total, Environmental Protection Agency (net)	5,486,563,000	5,580,709,000	6,012,625,000	6,017,937,000	+531,374,000	+437,228,000	+5,312,000
Executive Office of the President							
Council on Environmental Quality and Office of Environmental Quality	1,465,000	2,780,000	2,780,000	1,465,000	---	-1,315,000	-1,315,000
National Space Council	983,000	1,363,000	1,000,000	1,363,000	+380,000	---	+363,000
Office of Science and Technology Policy	2,829,000	3,300,000	3,300,000	3,560,000	+731,000	+260,000	+260,000
Points of Light Foundation	---	---	---	5,000,000	+5,000,000	+5,000,000	+5,000,000
Total, Executive Office of the President	5,277,000	7,443,000	7,080,000	11,388,000	+6,111,000	+3,945,000	+4,308,000
Federal Emergency Management Agency							
Disaster relief	1,248,450,000	270,000,000	100,000,000	---	-1,248,450,000	-270,000,000	-100,000,000
Salaries and expenses	138,572,000	143,334,000	143,459,000	143,000,000	+4,428,000	-334,000	-459,000
Office of Inspector General	2,563,000	3,905,000	3,905,000	2,751,000	+188,000	-1,154,000	-1,154,000
Emergency management planning and assistance	270,643,000	277,042,000	275,423,000	267,042,000	-3,601,000	-10,000,000	-8,381,000
Emergency food and shelter program	130,092,000	124,991,000	134,000,000	134,000,000	+3,908,000	+9,009,000	---
Total, Federal Emergency Management Agency	1,790,320,000	819,272,000	656,787,000	546,793,000	-1,243,527,000	-272,479,000	-109,994,000
General Services Administration							
Consumer Information Center	1,339,000	1,540,000	1,540,000	1,540,000	+201,000	---	---
(Limitation on administrative expenses)	(2,052,000)	(2,172,000)	(2,172,000)	(2,172,000)	(+120,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued

[Amounts in dollars]

Item	1990 appropriation	Budget estimate	House allowance	Committee recom- mendation	Senate committee recommendation compared with (+ or –)		
					1990 appropriation	Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Department of Health and Human Services							
Office of Consumer Affairs	1,834,000	1,889,000	1,889,000	1,964,000	+130,000	+75,000	+75,000
Interagency Council on the Homeless							
Salaries and expenses	1,083,000	1,214,000	1,214,000	1,083,000	---	-131,000	-131,000
National Aeronautics and Space Administration							
Research and development	5,227,776,000	7,074,000,000	7,027,994,000	5,600,000,000	+372,224,000	-1,474,000,000	-1,427,994,000
Space flight, control and data communications	4,550,715,000	6,499,132,000	6,530,351,000	6,319,132,000	+1,768,417,000	-180,000,000	-211,219,000
Portion applied to debt reduction	---	-1,209,732,000	-1,209,732,000	-1,209,732,000	-1,209,732,000	---	---
Construction of facilities	443,960,000	497,900,000	485,000,000	497,900,000	+53,940,000	---	+12,900,000
Research and program management	1,990,464,000	2,252,900,000	1,446,212,000	2,232,900,000	+242,436,000	-20,000,000	+786,688,000
Office of Inspector General	8,659,000	11,000,000	10,500,000	11,000,000	+2,341,000	---	+500,000
Total, National Aeronautics and Space Administration	12,221,574,000	15,125,200,000	14,290,325,000	13,451,200,000	+1,229,626,000	-1,674,000,000	-839,125,000
National Commission on American Indian, Alsaka Native, and Native Hawaiian Housing							
Salaries and expenses	500,000	---	---	---	-500,000	---	---
National Commission on Severely Distressed Public Housing							
Salaries and expenses	2,000,000	---	---	---	-2,000,000	---	---
National Credit Union Administration							
Central liquidity facility:							
Community development credit union revolving loan fund (transfer to Neighborhood Reinvestment Corporation)	---	(-6,605,000)	---	---	---	(+6,605,000)	---

(Limitation on direct loans)	(590,700,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+9,300,000)	---	---
(Limitation on administrative expenses, corporate funds)	(851,000)	(893,000)	(893,000)	(893,000)	(+42,000)	---	---
National Institute of Building Sciences							
Payment to the National Institute of Building Sciences	492,000	---	250,000	---	-492,000	---	-250,000
National Science Foundation							
Research and related activities	1,702,411,000	1,954,000,000	1,854,000,000	1,744,650,000	+42,239,000	-20[illegible],350,000	-109,350,000
Program development and management (limitation on administrative expenses)	(96,383,000)	(102,500,000)	(100,000,000)	---	(-96,383,000)	(-102,500,000)	(-100,000,000)
Academic research facilities	19,690,000	---	20,000,000	20,478,000	+788,000	+20,478,000	+478,000
Program development and management	---	---	---	99,000,000	+99,000,000	+99,000,000	+99,000,000
United States Antarctic Program activities	71,953,000	175,000,000	100,000,000	100,000,000	+28,047,000	-75,000,000	---
United States Antarctic logistical support activities	79,729,000	---	75,000,000	75,000,000	-4,729,000	+75,000,000	---
Education and human resources activities	204,265,000	251,000,000	285,000,000	322,350,000	+118,085,000	+71,350,000	+37,350,000
Office of Inspector General	2,560,000	3,000,000	3,000,000	2,714,000	+154,000	-286,000	-286,000
Total, National Science Foundation	2,080,608,000	2,383,000,000	2,337,000,000	2,364,192,000	+283,584,000	-18,808,000	+27,192,000
Neighborhood Reinvestment Corporation							
Payment to the Neighborhood Reinvestment Corporation	26,554,000	17,895,000	24,500,000	25,554,000	-1,000,000	+7,659,000	+1,054,000
(By transfer)	---	(6,605,000)	---	---	---	(-6,605,000)	---
Selective Service System							
Salaries and expenses	25,905,000	26,635,000	26,635,000	26,635,000	+730,000	---	---
Total, title III, Independent Agencies:							
New budget (obligational) authority (net)	21,711,495,000	24,037,604,000	23,434,650,000	22,616,760,000	+905,265,000	-1,420,844,000	-817,890,000
Appropriations	(21,759,195,000)	(25,247,336,000)	(24,644,382,000)	(23,826,492,000)	(+2,067,297,000)	(-1,420,844,000)	(-817,890,000)
Rescission	(-47,700,000)	---	---	---	(+47,700,000)	---	---
(Limitation on administrative expenses)	(318,094,000)	(340,672,000)	(341,172,000)	(241,172,000)	(-76,922,000)	(-99,500,000)	(-100,000,000)
(Limitation on direct loans)	(590,700,000)	(600,000,000)	(600,000,000)	(600,000,000)	(+9,300,000)	---	---
(Limitation on corporate funds to be expended)	(851,000)	(893,000)	(893,000)	(893,000)	(+42,000)	---	---
TITLE IV							
CORPORATIONS							
Federal Deposit Insurance Corporation: FSLIC Resolution Fund 1/	4,962,000,000	2,915,744,000	2,915,744,000	4,398,000,000	-564,000,000	+1,482,256,000	+1,482,256,000

1/ Current indefinite authority, current estimate only

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1990 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1991—Continued

[Amounts in dollars]

Item (1)	1990 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or –): 1990 appropriation (6)	Senate committee recommendation compared with (+ or –): Budget estimate (7)	Senate committee recommendation compared with (+ or –): House allowance (8)
Resolution Trust Corporation:							
Office of Inspector General	---	10,785,000	10,785,000	10,785,000	+10,785,000	---	---
Total, title IV, Corporations	4,962,000,000	2,926,529,000	2,926,529,000	4,408,785,000	-553,215,000	+1,482,256,000	+1,482,256,000
Grand total:							
New budget (obligational) authority (net)	71,280,628,000	78,777,229,000	83,574,984,400	82,985,029,400	+11,704,401,400	+4,207,800,400	-589,955,000
Appropriations	(71,286,045,000)	(80,058,856,000)	(84,630,047,400)	(84,477,136,400)	(+13,191,091,400)	(+4,418,280,400)	(-152,911,000)
Authority to borrow	(412,969,000)	(220,480,000)	(437,044,000)	---	(-412,969,000)	(-220,480,000)	(-437,044,000)
Rescissions	(-418,386,000)	(-292,375,000)	(-282,375,000)	(-282,375,000)	(+136,011,000)	(+10,000,000)	---
(By transfer)	---	(182,000,000)	(70,000,000)	---	---	(-182,000,000)	(-70,000,000)
(Limitation on administrative expenses)	(361,546,000)	(385,092,000)	(385,592,000)	(285,592,000)	(-75,954,000)	(-99,500,000)	(-100,000,000)
(Limitation on annual contract authority, indefinite)	(-2,000,000)	(-2,000,000)	(-2,000,000)	(-2,000,000)	---	---	---
(Limitation on direct loans)	(1,152,645,000)	(1,035,198,000)	(1,244,795,000)	(752,125,000)	(-400,520,000)	(-283,073,000)	(-492,670,000)
(Limitation on guaranteed loans)	(155,692,768,000)	(155,000,000,000)	(155,140,000,000)	(155,250,000,000)	(-442,768,000)	(+250,000,000)	(+110,000,000)
(Limitation on corporate funds to be expended)	(392,901,000)	(389,792,000)	(399,792,000)	(406,893,000)	(+13,992,000)	(+17,101,000)	(+7,101,000)